

Congressional Record

SEVENTY-FIRST CONGRESS, THIRD SESSION

SENATE

FRIDAY, JANUARY 16, 1931

(Legislative day of Monday, January 5, 1931)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. SHEPPARD obtained the floor.

Mr. FESS. Mr. President, will the Senator yield to enable me to suggest the absence of a quorum?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Ohio for that purpose?

Mr. SHEPPARD. I yield.

Mr. FESS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Keyes	Sheppard
Barkley	Frazier	King	Shipstead
Bingham	George	McGill	Shortridge
Black	Gillett	McKellar	Simmons
Blaine	Glass	McMaster	Smith
Borah	Glenn	McNary	Smoot
Bratton	Goff	Metcalfe	Steck
Brock	Goldsborough	Morrison	Stephens
Brookhart	Gould	Morrow	Swanson
Broussard	Hale	Moses	Thomas, Idaho
Bulkley	Harris	Norbeck	Thomas, Okla.
Capper	Harrison	Norris	Townsend
Caraway	Hastings	Nye	Trammell
Carey	Hatfield	Oddie	Tydings
Connally	Hawes	Partridge	Vandenberg
Copeland	Hayden	Patterson	Wagner
Couzens	Hebert	Phipps	Walcott
Cutting	Heflin	Pittman	Walsh, Mass.
Dale	Howell	Ransdell	Walsh, Mont.
Davis	Johnson	Reed	Waterman
Deneen	Jones	Robinson, Ark.	Watson
Dill	Kean	Robinson, Ind.	Wheeler
Fess	Kendrick	Schall	Williamson

Mr. McNARY. The junior Senator from Idaho [Mr. THOMAS] and the junior Senator from Oregon [Mr. STEIWER] are necessarily absent attending a meeting of the Committee on Irrigation and Reclamation.

Mr. BLAINE. I wish to announce that my colleague the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Ninety-two Senators have answered to their names. A quorum is present. The Senator from Texas has the floor.

Mr. JONES. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Washington?

Mr. SHEPPARD. I yield.

RED CROSS DEMAND FOR CONTRIBUTIONS

Mr. JONES. Mr. President, our people in the State of Washington are affected by the unemployment situation as are those in other sections of the country, though possibly not to the extent which exists in some sections. They are meeting the situation and they feel that what they are doing is about all they can possibly do. I have a telegram from the mayor of Tacoma and also one from a representative of the Chamber of Commerce of Spokane with reference to the call on the part of the Red Cross for contributions. I ask that the two telegrams may be read.

The PRESIDENT pro tempore. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[Telegram]

TACOMA, WASH., January 15, 1931.

HON. WESLEY L. JONES,

Washington, D. C.:

Red Cross national headquarters asking Tacoma for \$20,000 account relief Mississippi Valley famine. Is it not possible for the United States Government through an emergency appropriation to take care of this relief, and is it possible Government placing cattle above human beings in relief activities? This district business conditions are such practically impossible for Red Cross chapter to raise this amount. Please advise immediately.

M. G. TENNENT, Mayor.

[Telegram]

SPokane, WASH., January 15, 1931.

HON. WESLEY L. JONES,

United States Senate, Washington, D. C.:

Red Cross, out of national fund of ten million, have called upon Spokane for \$20,000. We are already raising large sums to handle our own unemployment situation as well as all charities. Impossible at this time for Spokane to put on special campaign for Red Cross, as community chest campaign is now on and Red Cross is one of beneficiaries. Several of our business men suggest advisability in view of present national condition of Federal Government providing ten million needed for Red Cross. Will appreciate your advise as to feasibility of this idea.

J. A. FORD.

The PRESIDENT pro tempore. The telegrams will be referred to the Committee on Appropriations.

FACILITIES OF PUGET SOUND NAVY YARD

Mr. JONES. My colleague has received similar telegrams. I also have a telegram containing a memorial passed by our State legislature. The memorial is a little premature, because we have not yet provided for the modernization of the battleships, but as it is a memorial from our State legislature I ask that it may be read.

The PRESIDENT pro tempore. The clerk will read, as requested.

The Chief Clerk read as follows:

[Telegram]

OLYMPIA, WASH., January 15, 1931.

Senator WESLEY L. JONES,

Senate Chamber, Washington, D. C.:

I have the honor to transmit to you a copy of House Joint Memorial No. 1 adopted by the Twenty-second Legislature of the State of Washington, January 15, 1931.

House Joint Memorial No. 1

To the honorable the SECRETARY OF THE NAVY OF THE UNITED STATES OF AMERICA:

We, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition as follows:

Whereas the Congress of the United States has authorized the modernization of the battleships *Mississippi*, *Idaho*, and *New Mexico*, and appropriated necessary moneys therefore; and

Whereas the Puget Sound Navy Yard is in a position to perform the necessary modernizing work on any of such battleships and has every facility in readiness for doing it promptly and economically; and

Whereas this work is urgently needed at the Puget Sound Navy Yard to stabilize present unemployment and avoid a very serious unemployment situation now developing at the yard:

Therefore, we, your memorialists, in the name of and for the people of the State of Washington, do most earnestly and respectfully petition and urge you, the honorable Secretary of the Navy, to allocate at least one of said battleships to the Puget Sound Navy Yard for modernization.

The chief clerk is directed to telegraph a copy of this resolution to the Secretary of the Navy, to each of the Senators and Representatives in Congress from the State of Washington, to the Hon. FREDERICK HALE, of Maine, chairman of the Naval Affairs

Committee of the United States Senate, and to Hon. FRED A. BRITTON, of Illinois, chairman of the Naval Affairs Committee of the House of Representatives.

A. W. CALDER,
Chief Clerk, House of Representatives.

The PRESIDENT pro tempore. The memorial of the legislature will be referred to the Committee on Naval Affairs.

COMMENTS ON PRECEDING TELEGRAMS AND MEMORIAL

Mr. DILL and Mr. BORAH addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Texas yield; and if so, to whom?

Mr. SHEPPARD. I yield first to the Senator from Washington, who I think rose first.

Mr. DILL. Mr. President, I want to say that I received the same telegrams as those received by my colleague. I wish to state further that I replied to the clerk of the House of Representatives of the State Legislature of Washington that, in my judgment, there was little chance or opportunity for one of these battleships to be modernized in a Pacific coast navy yard, because it was generally understood that these ships were going to be modernized in eastern yards.

I also desire to say with regard to the telegrams from Spokane and Tacoma respecting the Red Cross that it should not be understood that our people are not willing to help in every way possible in raising money for the Red Cross, but there is a limit; and the people of the Northwest, particularly of the cities mentioned, have just about reached the limit in contributions of this kind. These telegrams are the very best evidence that the time has arrived when the money for Red Cross relief should come out of the Treasury of the United States and not out of the pockets of the people of cities and towns that are already burdened to the limit in taking care of their own problems of charity.

Mr. BORAH and Mr. COPELAND addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Texas yield; and if so, to whom?

Mr. SHEPPARD. I yield first to the Senator from Idaho. I promised him I would do so.

Mr. BORAH. Mr. President, I want to ask the Senator from Washington a question about the telegrams which have been read. Do I understand that the purport of these telegrams is that the cities, having to take care of their own unemployed, feel that they are unable to respond to the call of the Red Cross?

Mr. JONES. That is the tenor of these telegrams; that they have gone to the limit in taking care of the local situation.

Mr. BORAH. I presume that is a condition which prevails throughout the country very generally. That seems to me to have a direct bearing on the amendment soon to come up for consideration.

PUBLIC-BUILDING PROGRAM

Mr. COPELAND. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from New York?

Mr. SHEPPARD. I yield to the Senator from New York.

Mr. COPELAND. Mr. President, I wish to have the attention of the Senator from Utah [Mr. SMOOT] and the chairman of the Committee on Public Buildings and Grounds, the Senator from New Hampshire [Mr. KEYES].

It will be recalled that we had before the Appropriations Committee the other day Col. Arthur Woods, the director of the unemployment commission, and the Chief Architect of the Treasury Department. Both of these men said it is extremely important that certain bills which are now pending before the Committee on Public Buildings and Grounds be passed in order to facilitate the building program for post offices and other public structures. They spoke in positive terms regarding it. Colonel Woods was very emphatic, and the chief architect pointed out the importance of the immediate passage of these measures.

I should like to know what became of Senate bill 4791, introduced by the Senator from New Hampshire [Mr. KEYES] on the 2d of December; Senate bill 5341, introduced by the Senator from Utah [Mr. SMOOT]; and Senate bill

5342, also introduced by the Senator from Utah [Mr. SMOOT] on the 15th of December, more than a month ago? The passage of these bills is essential in order that the Government may proceed with its work. They will hasten condemnation proceedings and permit the viewing committee to act and the making of borings and soundings previous to the taking over of the properties.

I was approached yesterday by somebody from Colonel Woods' office to ask why action could not be taken on those measures. Now, may I ask the Senator from New Hampshire [Mr. KEYES] what has become of these bills and why they have not been reported to the Senate?

Mr. KEYES. Mr. President, the bills to which the Senator from New York refers are before the Committee on Public Buildings and Grounds. It is true I introduced a bill contemplating the expediting of the program for the construction of public buildings, and a similar bill, in fact an identical bill, was introduced in the House of Representatives by Mr. ELLIOTT, chairman of the Committee on Public Buildings and Grounds of the House. I took up with Mr. ELLIOTT the matter of procedure. It seemed to both of us that the legislative situation in the Senate was much more congested than it was in the House, and it was agreed that he would go ahead, hold hearings on his bill, and get it out as quickly as he could. We thought no time would be lost by adopting that program.

The House committee have held hearings; they have reported the bill; it is now on the House Calendar; and Mr. ELLIOTT is making every effort to secure action on the bill. I have felt that that procedure would not delay the measures in any way; in fact I thought it would expedite their consideration as fast as could possibly be done.

I am very anxious, as is the Senator from New York, to do anything that I possibly can to expedite the public-building program.

The Senator has referred to a bill relative to condemnation proceedings. There is such a bill, which was introduced by the Senator from Nebraska [Mr. NORRIS], and which is before his committee, the Committee on the Judiciary, but I do not know what action has been taken upon that measure.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Idaho?

Mr. SHEPPARD. I yield.

Mr. BORAH. The Senator from New Hampshire has referred to a bill pending before the Judiciary Committee to provide for more speedy action with reference to condemnation proceedings.

Mr. KEYES. Yes.

Mr. BORAH. That bill was referred to a subcommittee, and the subcommittee on yesterday afternoon, as I understand, agreed upon a report. We expedited the matter as much as we could. There was a legal question involved which took some little time to investigate, but it has been investigated, and the subcommittee, as I have said, has agreed upon a favorable report on the bill.

Mr. COPELAND. Mr. President, will the Senator from Texas yield to me for a moment more?

The PRESIDENT pro tempore. Does the Senator from Texas yield further to the Senator from New York?

Mr. SHEPPARD. I yield.

Mr. COPELAND. Colonel Woods pointed out that there is but one site-viewing committee, which has to travel all over the United States and has to look at all the sites for proposed buildings. It is utterly impossible to proceed with the erection of these buildings until the sites have been viewed and until soundings have been made.

So far as I am concerned, I am not willing to wait for the House to do this or that; we have a responsibility resting on us; and if we want the building program to go forward these bills must be passed; otherwise it will be six months or a year before construction will be undertaken.

I think that the Committee on Public Buildings and Grounds should proceed at once to bring forward these bills so that we may have them before the Senate. Otherwise, it would seem to me proper to move that the committee be

discharged from the further consideration of the bills and that they be brought before us. I want it known by every Senator that I am not expressing my own views alone; I am stating what the officials of the Government have said are the things necessary to be done if we are to go forward with those public buildings. There will be no progress in the erection of the buildings unless these bills shall be speedily passed.

EMPLOYEES OF WATER POWER COMMISSION

Mr. BRATTON. Mr. President, will the Senator yield?

Mr. SHEPPARD. I yield to the Senator from New Mexico.

Mr. BRATTON. Mr. President, it will be recalled that in our discussion of the motion to reconsider the vote by which the members of the Power Commission were confirmed the statement was repeatedly made on the floor of the Senate that two former employees, Russell and King, had the right to submit applications for employment under the new commission and their applications would receive consideration. Some of us felt then that their applications would receive scant, if any, consideration. I hold in my hand an article from this morning's Washington Post entitled "Old Jobs Not Given Two in Power Fight," and in order that the RECORD may be current as to the developments in this matter I ask that the article may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article referred to is as follows:

OLD JOBS NOT GIVEN TWO IN POWER FIGHT—BODY REINSTATES ALMOST ALL FORMER EMPLOYEES EXCEPT RUSSELL AND KING—STAND CHANGE UNLIKELY

Almost all the former employees of the Power Commission were put back to work yesterday, but prominently absent from the list were the names of William V. King, chief accountant, and Charles A. Russell, solicitor.

Their dismissal by Chairman Smith and Commissioners Draper and Garsaud, of the new commission, led to the most outstanding difference of opinion between the Senate and President Hoover since the latter took office.

The Senate, after days of debate, during which it was charged Russell and King were dismissed because they opposed the power interests, asked the President to send the names of the new commissioners back for reconsideration. Mr. Hoover flatly declined.

From the attitude of commission members it is not expected Russell and King will get their positions back. Members said action would likely be taken within a month in naming an accountant and solicitor to take their places.

All but two of the employees under civil service were reemployed on a permanent basis, but none of the five executive heads of the commission were chosen.

In addition to the posts held by Russell and King, the other executive posts include general counsel, chief engineer, and secretary, once the office held by Frank E. Bonner.

The position of general counsel has been vacant for several months because of death. The present acting chief engineer, Col. M. C. Tyler, was assigned to the former commission by the War Department and is being retained by the present commission while it organizes its force. Two of the minor employees were reappointed upon a temporary basis for 30 days. They were F. W. Griffith, chief clerk of the old commission, and Miss V. M. Crosett, secretary to former Solicitor Russell. No explanation was given for the temporary appointments.

The commission made the permanent appointments, Chairman Smith said, to end uncertainty in the minds of civil-service employees, all of whom were given 30 days of temporary employment when the commission took over its duties.

The action was taken by four members, as Commissioner McNinch was absent because of illness. Commissioner Williamson said McNinch had approved the plans.

BOULDER CANYON DAM

Mr. ASHURST and Mr. NORRIS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Texas yield; and if so, to whom?

Mr. SHEPPARD. I promised the Senator from Arizona that I would yield first to him.

Mr. ASHURST. I thank the Senator.

Mr. President, I have just read an editorial in the Washington Post in its issue of this morning respecting an interesting subject. It is a well-written editorial, and I do not take any exception to the conclusion which the author of the editorial draws as to the United States attempting to purchase lands belonging to a foreign power. Every individual is entitled to draw his own conclusions; but I do object to the conclusion which the able editorial writer draws respect-

ing the law on the question of the waters of the Colorado River. The editorial, inter alia, says:

International law is unmistakably in favor of Mexico's right to demand that the United States, in building the Black Canyon Dam, shall not stop or divert the natural flow of the Colorado River. This rule of international law is thus stated by Oppenheim (vol. 1, 4th ed. p. 253).

Nomenclature shifts rapidly; that proposed dam is now called by another name. It was once called the Boulder Dam.

This particular question has been the subject of considerable debate in the Senate, and on December 10, 1928, I spoke in part as follows:

Mr. ASHURST. Mr. President, the junior Senator from Arizona [Mr. HAYDEN] spoke at length upon the pending bill, and with special reference to his amendment proposing some equitable division of the waters of the Colorado River. During the course of his address he was interrogated by the Senator from Idaho [Mr. BORAH] as follows:

"As a proposition of law, let us assume the Senator is correct; but if that is true, are not the advocates of the bill taking the risk here and not the State of Arizona?"

To which my colleague made reply:

"Mr. HAYDEN. That is a correct assumption; but the last thing that the State of Arizona wants to do, and the last thing that the people of any of the seven States want to do, is to throw this controversy into long-drawn-out litigation in the courts."

Mr. President, my colleague, in giving expression to such sentiments, reached a high peak of statesmanship, and I join with him in the statement that the last thing Arizona desires to do is to resort to the courts. But if Arizona's constitutional rights and her valuable resources are to be taken from her without her consent and without due compensation, she has no other course to pursue except to retire behind the ramparts of the Federal Constitution and in the courts secure that meed of justice which the Congress would deny if it passed this bill in this form.

Some misconception exists as to what rights, if any, the Republic of Mexico has in or to the waters of the Colorado River. The United States has no treaty with Mexico respecting a division or a distribution of any of the waters of the Colorado River, and the United States would not be an independent sovereign power, but would indeed be a vassal nation, if any other nation could compel the United States, in the absence of treaty, to send to such other nation any of the waters originating in the United States.

Down through the years, down through the centuries, from the earliest writers on law to this day, it is agreed that a nation would not be an independent, sovereign nation, but would be a vassal nation, if it were required, in the absence of treaty commitments, to send any of its water to a foreign nation.

I shall now read an opinion delivered by Attorney General Judson Harmon on this question. It is dated Washington, D. C., December 12, 1895.

I request permission to include in the RECORD at this point the opinion of the Attorney General, and also a letter signed by Mr. Frank L. Polk, Acting Secretary of State, dated July 17, 1919, in which, inter alia, he says:

In reply you are informed that the United States and Mexico have never concluded an agreement relative to the distribution and use of the waters of the Colorado River for irrigation purposes.

The PRESIDENT pro tempore. Without objection, the opinion and letter referred to by the Senator from Arizona will be printed in the RECORD.

The opinion and letter are as follows:

[Opinion of the Attorney General]

THE ATTORNEY GENERAL TO THE SECRETARY OF STATE

DEPARTMENT OF JUSTICE,
Washington, D. C., December 12, 1895.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th ultimo, in which you refer to the concurrent resolution of Congress passed April 29, 1890, providing for negotiations with the Government of Mexico with a view to the remedy of certain difficulties mentioned in the preamble of such resolution which arise from the taking of water for irrigation from the Rio Grande above the point where it ceases to be entirely within the United States and becomes the boundary between the United States and Mexico. I have also the copy which you inclose of the note of the Mexican minister to yourself, dated October 21, 1895, in which he states at length the position taken by his Government.

You say:

"The negotiations with which the President, acting through the Department of State, is charged by the foregoing resolution can not be intelligently conducted unless the legal rights and obligations of the two Governments concerned and the responsibility of either, if any, for the disastrous state of things depicted in the Mexican minister's letter are first ascertained."

I have the honor, therefore, to call your attention to the legal propositions asserted in Mr. Romero's letter and to inquire

whether, in your judgment, those propositions correctly state the law applicable to the case. In other words—

(1) Are the provisions of article 7 of the treaty of February 2, 1848, known as the treaty of Guadalupe Hidalgo, still in force so far as the River Rio Grande is concerned, either because never annulled or because recognized and reaffirmed by article 5 of the convention between the United States and Mexico of November 12, 1884?

(2) By the principles of international law, independent of any special treaty or convention, may Mexico rightfully claim that the obstructions and diversions of the waters of the Rio Grande in the Mexican minister's note referred to are violations of its rights which should not continue for the future and on account of which, so far as the past is concerned, Mexico should be awarded adequate indemnity?

I reply as follows:

(1) Article 7 of the treaty of Guadalupe Hidalgo, while it was declared to have been rendered nugatory for the most part by the first clause of article 4 of the treaty concluded December 30, 1853, and proclaimed June 30, 1854, was, by the second clause thereof, reaffirmed as to the Rio Grande (now Rio Bravo del Norte) below the point where, by the lines as fixed by the latter treaty, that river became the boundary between the two countries. Said article 7 is recognized as still in force by article 5 of the convention concluded November 12, 1884, and proclaimed September 14, 1886.

So far, therefore, as it affects the subject now in hand, said article 7, in my opinion, is still in force. I am unable, however, to agree with the minister in the interpretation which he gives it.

His statement is that the city of El Paso del Norte has existed for more than 300 years, during almost all of which time its people have enjoyed the use of the water of the Rio Grande for the irrigation of their lands. As that city and the districts within its jurisdiction did not need more than 20 cubic meters of water per second, which was an almost infinitesimal portion of the volume of water, even in times of severest drought, they had sufficient water for their crops until about 10 years ago, when a great many trenches were dug in Colorado, especially in the St. Louis Valley, and in New Mexico, through which the upper Rio Grande and its affluents flow, so greatly diminishing the water in the river at El Paso that except when rains happen to be abundant there is scarcity of water from the middle of June until March. In 1894 the river was entirely dry by June 15, so that no crops could be raised, and even fruit trees began to wither. The result has been to reduce the price of land and cause great hardships to the people, whose numbers in Paso del Norte, Zaragoza, Tres Jacalles, Guadalupe, and San Ignacio diminished from 20,000 in 1875 to one-half that number in 1894.

The minister further states that from a report of the assistant quartermaster general, addressed to the general in chief of the United States Army, dated September 5, 1850, it appears that Captain Lowe (meaning Love), United States Army, ascended the river in a vessel to a point several kilometers above Paso del Norte, showing that it was then navigable at that place. The minister has been misinformed. The original report, which is before me now, shows that Captain Love was instructed to carry "to the highest attainable point in the Rio Grande" his small keel boat, which "drew, with her crew, provisions, arms, etc., on board, 18 inches of water." He found this point at some "impossible falls" which he names "Brookes Falls." Carrying around them "the skiff which had accompanied his boat," he rowed 47 miles farther to other falls, which he named "Babbitts Falls." Beyond this point he "found it impossible to proceed with the skiff, either by land or water," and it was "about 150 miles by land below El Paso."

The minister contends that the irrigation ditches in Colorado and New Mexico, which result in diminishing the flow of water at El Paso, come within the treaty prohibitions of "any work that may impede or interrupt, in whole or in part, the exercise of this right" (of navigation), because, as he says, "nothing could impede it more absolutely than works which wholly turn aside the waters of these rivers." But Article VII is limited in terms to "the part of the Rio Bravo del Norte lying below the southern boundary of New Mexico." Article IV of the treaty of 1853 continues the provisions of said Article VII in force "only so far as regards the Rio Bravo del Norte below the initial of said boundary provided in the first article of this treaty." It is that part alone which is made free and common to the navigation of both countries and to which the various prohibitions apply. It is plain that neither party could have had, in framing these restrictions, any such intention as that now suggested.

The fact, if such it were, that the parties did not think of the possibility of such acts as those now complained of would not operate to restrain language sufficiently broad to include them; but the terms used in the treaty are not fairly capable of such a construction. They naturally apply only to the part of the river with which the parties were dealing and to such works alone as either party might construct on its own side if not restrained. Though equally divided, in theory, between the two nations, where it is their boundary, the river is, in fact, a unit for purposes of navigation, and therefore the treaty required the consent of both for the construction of "any work that may impede or interrupt" navigation, even though it should be "for the purpose of favoring new methods of navigation." (Art. VII.) Up to the head of navigation no such work could have been constructed save by one of the two Governments or by its authority. The prohibition was, therefore, appropriately made applicable to them alone and not to the citizens of either, "neither shall, without consent of the

others, construct, etc." Above the head of navigation, where the river would be wholly within the United States, different rules would apply within the United States, different rules would apply and private rights exist which the Government could not control or take away save by exercise of the power of eminent domain, so that clear and explicit language would be required to impose upon the United States such obligation as would result from the construction of the treaty now suggested.

Moreover, the only right the treaty professed to create or protect with respect to the Rio Grande was that of navigation. The claim now made is for injuries to agriculture alone at places far above the head of navigation. Captain Love, in the report referred to, said, "The mouth of Devils River, which is about 100 miles below the mouth of the Puerco (Pecos) and 617 above Ringgold Barracks, is the head of steamboat navigation," and that "with some difficulty" navigation by keel boats was possible "to a point 56 miles above the 'Grande Indian Crossing,' or about 283 miles above the mouth of Devils River." So far as appears, the large and numerous tributaries below El Paso supply a sufficient volume of water for the needs of navigation.

In fact, the part of the treaty now under consideration merely expresses substantially the same rights and duties which international law would imply from the fixing of the middle of the river as the boundary, viz, free navigation of the entire stream below the point where it becomes common to both nations without any levy or exaction or the construction of any work which might impede navigation without the consent of both.

In my opinion, therefore, the claim now made by Mexico finds no support in the treaty. On the contrary, the treaty affords an effective answer to the claim by the well-known rule that the expression of certain rights and obligations in an agreement implies the exclusion of all others with relation to the same subject.

It is not necessary, in order to bring this principle into play, that it shall appear that either party, or both, actually thought of the particular matter whose exclusion is asserted, although that fact, when it appears, may serve to emphasize the inference. I am not advised whether the subject of the use of the water of the Rio Grande for irrigation was mentioned during the negotiations or not, but it is stated that such use had long been made by the Mexicans, and it was known that agriculture could not be carried on in that region without it. It was known, too, certainly to Mexico, that this necessity existed also throughout the entire region watered by the upper Rio Grande and its tributaries; for, as a Province of Spain and then as an independent nation, Mexico had included both New Mexico and Colorado, and from the independence of Texas in 1836 down to the treaty of 1848 Mexico's eastern boundary was the Rio Grande to its source. By this treaty Mexico ceded to the United States the territory west of the Rio Grande and north of the southern boundary of New Mexico, just as she had abandoned to Texas all the territory east of that river, without any reservations, restrictions, or stipulations concerning the river except those above mentioned.

Settlements had long existed in the region of Santa Fe, and the probability of the ultimate settlement of the entire territory along the Rio Grande must have been apparent to both parties. Yet the treaty made no attempt to create or reserve to Mexico or her citizens any rights or to impose on the United States or their citizens any restraints with respect to the use of water for irrigation, although rights of property in the territory were secured to all Mexicans, whether established there or not. (Art. 8.)

The treaty of 1848 was a treaty of peace, and a different rule for the construction of such treaties is laid down by some writers. (Vattel, Law of Nations, Chitty's edition, p. 433.) If it be suggested that the circumstances under which this treaty was made bring its terms, as against the United States, within the operation of such rule, it is a sufficient answer that, even if the existence of the rule be acknowledged, it simply subjects provisions in favor of the United States to strict construction. Like all rules of construction, it has no application except in cases of doubtful meaning of language used and can not be made the means of introducing new terms. Moreover, the United States paid \$15,000,000 for the territory acquired by the treaty (art. 12); and by the treaty of 1853, which was not a treaty of peace, Mexico ceded further territory in consideration of \$10,000,000 (art. 3), repeating without enlarging the stipulations of the former treaty as to rights on the Rio Grande.

(2) I have given my opinion of the construction and effect of the treaty, because it is responsive to your general request, though not to your specific questions. That opinion, perhaps, in strictness makes it unnecessary for me to consider your second question; but as that question is not put alternatively or conditionally, I proceed.

An extended search affords no precedent or authority which has a direct bearing.

There have been disputes about the rights of navigation of international rivers but they have been settled by treaty. (For a list of such treaties see Heffter, Droit Int., Appendix VIII.) The subject is fully discussed by Hall (Int. Law, sec. 39), who denies that the people on the upper part of a navigable river have a natural right to pass over it through foreign territory to its mouth. Now, if such right be conceded, no aid is afforded for the present inquiry, because use for navigation, being common, would not curtail use by the proprietary country, while in the case now presented, there not being enough water for irrigation in both countries, the question is which shall yield to the other.

It is stated by some authors that an obligation rests upon every country to receive streams which naturally flow into it from other countries, and they refer to this as a natural international servitude.

tude. (Heffter, *Droit Int.*, sec. 43; 1 Phillemore, *Int. Law*, p. 303.) Others deny the existence of all international servitudes apart from agreement in some form. (Letters of Grotius quoted 2 Hert., p. 106; Klüber, *Droit des Gens Moderne*, sec. 139; Bluntschli, *Droit Int. Cod.*; Woolsey's *Int. Law*, sec. 58; 1 Calvo, *Droit Int.*, sec. 556.)

Such a servitude, however, if its existence be conceded, would not cover the present case or afford any real analogy to it. The servient country may not obstruct the stream so as to cause the water to back up and overflow the territories of the other. The dominant country may not divert the course of the stream so as to throw it upon the territory of the other at a different place. (See authorities, *supra*.) In either of such cases there would be a direct invasion and injury by one of the nations of the territory of the other. But when the use of water by the inhabitants of the upper country results in reducing the volume which enters the other it is a diminution of the servitude. The injury now complained of is a remote and indirect consequence of acts which operate as a deprivation by prior enjoyment. So it is evident that what is really contended for is a servitude which makes the lower country dominant and subjects the upper country to the burden of arresting its development and denying to its inhabitants the use of a provision which nature has supplied entirely within its own territory.

Such a consequence of the doctrine of international servitude is not within the language used by any writer with whose works I am familiar and could not have been within the range of his thought without finding expression.

Both the common and the civil law undertake to regulate the use of the water of navigable streams by the different persons entitled to it. Neither has fixed any absolute rule but leaves each case to be decided upon its own circumstances. But I need not enter upon a discussion of the rules and principles of either system in this regard, because both are municipal and, especially as they relate to real property, can have no operation beyond national boundaries. (Creasy, *Int. Law*, p. 164.) So they can only settle rights of citizens of the same country interesse. The question must therefore be determined by considerations different from those which would apply between individual citizens of either country. Even if such a question could arise as a private one between citizens of the country and those of another, it is not so presented here. The mere assertion of the claim by Mexico would make it a national one, even if it were of a private nature. (Gray v. U. S., 1 C. Cls. R. 391-392.) But the use of water complained of and the resulting injuries are general throughout extended regions, so that effects upon individual right can not be traced to individual causes, and the claim is by one nation against the other in fact as well as form.

The fundamental principle of international law is the absolute sovereignty of every nation as against all others within its own territory. Of the nature and scope of sovereignty with respect to judicial jurisdiction, which is one of its elements, Chief Justice Marshall said (*Schooner Exchange v. McFaddon*, 7 Cranch, p. 136):

"The jurisdiction of the nation within its own territory is necessarily exclusive and absolute. It is susceptible of no limitation not imposed by itself. Any restriction upon it, deriving validity from an external source, would imply a diminution of its sovereignty to the extent of the restriction, and an investment of that sovereignty to the same extent in that power which could impose such restrictions."

"All exceptions, therefore, to the full and complete power of a nation within its own territories must be traced up to the consent of the nation itself. They can flow from no other legitimate source."

It would be entirely useless to multiply authorities. So strongly is the principle of general and absolute sovereignty maintained that it has even been asserted by high authority that admitted international servitudes cease when they conflict with the necessities of the servient state. (Bluntschli, p. 212; see criticism by Creasy, p. 258.) Whether this be true or not, its assertion serves to emphasize the truth that self-preservation is one of the first laws of nations. No believer in the doctrine of natural servitudes has ever suggested one which would interfere with the enjoyment of a nation within its own territory of whatever was necessary to the development of its resources or the comfort of its people.

The immediate as well as the possible consequences of the right asserted by Mexico show that its recognition is entirely inconsistent with the sovereignty of the United States over its national domain. Apart from the sum demanded by way of indemnity for the past, the claim involves not only the arrest of further settlement and development of large regions of the country, but the abandonment, in great measure at least, of what has already been accomplished.

It is well known that the clearing and settlement of a wooded country affects the flow of streams, making it not only generally less, but also subjecting it to more sudden fluctuations between greater extremes, thereby exposing inhabitants on their banks to increase of the double danger of drought and flood. The principle now asserted might lead to consequences in other cases, which need only be suggested.

It will be remembered that a large part of the territory in question was public domain of Mexico and was ceded as such to the United States, so that their proprietary as well as their sovereign rights are involved.

It is not suggested that the injuries complained of are or have been in any measure due to wantonness or wastefulness in the use of water or to any design or intention to injure. The water is simply insufficient to supply the needs of the great stretch of arid

country through which the river, never large in the dry season, flows, giving much and receiving little.

The case presented is a novel one. Whether the circumstances make it possible or proper to take any action from considerations of comity is a question which does not pertain to this department; but that question should be decided as one of policy only, because in my opinion the rules, principles, and precedents of international law impose no liability or obligation upon the United States.

Very respectfully,

JUDSON HARMON,
Attorney General.

[Letter of Hon. Frank L. Polk]

DEPARTMENT OF STATE,
Washington, July 17, 1919.

MY DEAR MR. KINKAID: I acknowledge receipt of your letter of July 10, 1919, in which you state that the House Committee on Irrigation of Arid Lands desires for use in connection with the consideration of H. R. 6044, introduced by Mr. Kettner, for the relief of the Imperial Valley irrigation district, to be furnished with copies of any treaties which this country may have with Mexico bearing upon the question of the use of waters taken from the Colorado River for the reclamation of lands in the respective countries, and also copies of any official correspondence pertaining to the subject matter. I am advised that in a telephonic conversation with the solicitor's office of the department you have modified your request for information as to official correspondence and have explained that your principal desire is to obtain copies of pertinent treaties, and that for the present you would be satisfied to receive merely brief reference to correspondence in the matter.

In reply you are informed that the United States and Mexico have never concluded an agreement relative to the distribution and use of the waters of the Colorado River for irrigation purposes. In 1912 this Government proposed to the Government of Mexico the concluding of a convention providing for the appointment of a commission "to study, agree upon, and report" the bases of distribution and appropriation of the waters of this river, the findings of the commission, if and when approved by the two Governments, to be embodied in a treaty. After an exchange between the Governments of several draft conventions a form of convention seems to have been practically agreed upon in May, 1913, but apparently because of the strained relations between this Government and the so-called Huerta administration in Mexico the convention was never signed, and the matter has since been in abeyance.

As having some possible bearing upon this question, in which your committee is interested, I inclose herewith copies of the following treaties between the United States and Mexico:

The treaty of Guadalupe Hidalgo, of 1848, inviting attention to the provisions of articles 5, 6, and 7.

The treaty of 1853, known as the Gadsden treaty, inviting attention to the provisions of articles 1 and 4.

The boundary convention of 1884.

The boundary convention of 1889, together with the conventions of 1895, 1896, 1897, 1898, 1899, and 1900, extending the provisions of the said convention of 1889.

As of further interest to your committee, there is also inclosed herewith a copy of a note from the Mexican Embassy, dated November 27, 1901, in which complaint is made of the alleged diversion of water from the Colorado River by the Imperial Canal system, of Los Angeles, Calif. It will be observed that this complaint is based on alleged contravention of the provisions of the said treaties of 1848 and 1853. The department's records appear to show that this complaint was communicated to the Attorney General, and that the conditions therein complained of formed the basis of a report made by Mr. Marsden C. Burch, a special attorney of the Department of Justice, which report was forwarded to this department by the Department of Justice on September 28, 1903, with the suggestion that because of the nature and bearings of the subject thereof, and because of the interests of various departments of the Government in that subject, it might be desirable to print the report for the information and use of the departments concerned. Accordingly, the report was transmitted to the Director of the Geological Survey on October 14, 1903, with the statement that it was so transmitted because the subject thereof appeared to be connected with the work of his bureau and in the hope that he might find it desirable to print it for the information and use of the departments concerned. The Director of the Geological Survey replied on October 17, 1903, that it was proposed to embody the report in the Second Annual Report of the Reclamation Service.

I am, my dear Mr. Kinkaid, sincerely yours,

FRANK L. POLK,
Acting Secretary of State

PAID PROPAGANDA OF COLLEGE PROFESSORS

Mr. NORRIS. Mr. President—

Mr. SHEPPARD. I yield to the Senator from Nebraska.

Mr. NORRIS. If the Senator from Texas will kindly yield, I desire to have the clerk read an editorial appearing in this morning's Washington Herald entitled "Time to Clean House."

The PRESIDENT pro tempore. Without objection, the editorial will be read.

The Chief Clerk read as follows:

[From the Washington Herald of January 16, 1931]

TIME TO CLEAN HOUSE

The Association of American University Professors has rather belatedly adopted a resolution that any member of the association who testifies or speaks in public on behalf of any organization or individual paying him a retainer fee must make public the fact that he is being paid.

It is more than two years now since the testimony in the power investigation before the Federal Trade Commission brought out numerous instances of college professors on Power Trust pay rolls, and, all things considered, it appears that the educational world has been pretty lax in taking cognizance of the situation. However, this particular association has acted, if belatedly. Better late than never.

The ethics of some of our institutions of learning appear to have changed during the past decade and a half, and not for the better. One of the earliest instances of the now seemingly popular pastime whereby college professors collect double pay for spreading corporation gospel occurred in New England about 15 years ago. In this particular instance it was a railroad company which had subsidized the professor, not the Power Trust, but the principle is exactly the same.

The university with which this particular man happened to be connected had then, if not now, a serious view of its duty to the public. He was dismissed summarily from his university chair, and his friends learned of it not only through the press but through announcements on his behalf that he had become engaged in the practice of law.

So far as the Herald is aware not one of the college professors who were shown in the Federal Trade Commission hearings to be tarred with the corporation stick has been dismissed from his post. And if any other educational organization than the A. A. U. P. has spoken upon the matter, it has done it rather sotto voce.

REPORTS OF COMMITTEE TO AUDIT AND CONTROL THE CONTINGENT EXPENSES OF THE SENATE

Mr. DENEEN. Mr. President—

Mr. SHEPPARD. I yield to the Senator from Illinois; and after this I shall ask to be permitted to proceed.

Mr. DENEEN. Out of order, I ask unanimous consent to submit several reports from the Committee to Audit and Control the Contingent Expenses of the Senate, and I ask that each in turn be reported to the Senate for immediate consideration.

The PRESIDENT pro tempore. Without objection, the reports will be received.

FUNERAL EXPENSES OF THE LATE SENATOR GREENE

Mr. DENEEN. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 385, to pay certain expenses incident to the funeral of the late Senator Frank L. Greene, of Vermont, submitted by Mr. DALE on the 5th instant, and I ask unanimous consent for its immediate consideration.

There being no objection, the resolution was read, considered by the Senate, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of the Hon. Frank L. Greene, late a Senator from the State of Vermont, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

SARAH L. CARTER

Mr. DENEEN. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 399, to pay Sarah L. Carter a sum equal to six months' compensation of the late William H. Taylor, submitted by Mr. WATSON on the 13th instant, and I ask unanimous consent for its immediate consideration.

There being no objection, the resolution was read, considered by the Senate, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1930, to Sarah L. Carter, aunt of William H. Taylor, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

INVESTIGATION OF WHEAT AND BREAD PRICES AND CERTAIN SUGARS

Mr. DENEEN. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 374, requesting the Committee on Interstate Commerce to investigate and report to the Senate the reasons for the failure of the price of bread to reflect the decline in the price of wheat and flour submitted by Mr. WAGNER on December 16, 1930. I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none.

Mr. McNARY. Mr. President, the resolution as originally introduced and referred to the Committee on Agriculture and Forestry, authorized this investigation to be made by the Interstate Commerce Committee. The Committee on Agriculture and Forestry subsequently decided the investigation should more appropriately be made by it, and to carry out that action I propose the following amendment, namely, on page 1, line 1, strike out the words "Committee on Interstate Commerce" and insert in lieu thereof the words "Committee on Agriculture and Forestry."

The amendment was agreed to.

The PRESIDENT pro tempore. The amendment proposed by the Committee to Audit and Control the Contingent Expenses of the Senate will be reported.

The Chief Clerk read as follows:

Resolved further, That the committee is further authorized and directed to investigate and to report to the Senate the reasons why whole-wheat flour is higher in price than white flour and why brown and unrefined sugars are higher in price than white and refined sugars, and particularly whether such conditions are a result of a combination in restraint of trade.

Mr. WALSH of Montana. Mr. President, I inquire of the chairman of the Committee on Agriculture and Forestry if that investigation is likewise to cover the reason why the reduction in the price of wheat is not reflected in the price of flour generally?

Mr. McNARY. It fully covers that field.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Whereas the price of wheat has undergone a precipitate decline during the past year; and

Whereas the price of flour has likewise declined; and

Whereas the retail price of bread has not reflected the decline in the price of wheat and flour: Therefore be it

Resolved, That the Committee on Agriculture and Forestry of the Senate, or a duly authorized subcommittee thereof, is authorized and directed to investigate and report to the Senate the reasons for the failure of the price of bread to reflect the decline in the price of wheat and flour, and particularly whether such failure is a result of a combination in restraint of trade.

Resolved further, That the committee is further authorized and directed to investigate and report to the Senate the reasons why whole-wheat flour is higher in price than white flour and why brown and unrefined sugars are higher in price than white and refined sugars, and particularly whether such conditions are a result of a combination in restraint of trade.

For the purposes of this resolution such committee or subcommittee is authorized to hold hearings and to sit and act at such times and places as it deems advisable; to employ experts and clerical, stenographic, and other assistance; to require by subpoena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths and to take testimony and to make all necessary expenditures as it deems advisable.

The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such committee, which shall not be in excess of \$15,000, shall be paid from the contingent fund of the Senate.

The preamble was agreed to.

MARION S. BROWN

Mr. DENEEN. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 400, to pay to Marion S. Brown a sum equal to one year's salary of the late Joshua A. Brown, submitted by Mr. CARAWAY on the

13th instant; and I ask unanimous consent for its immediate consideration.

There being no objection, the resolution was read, considered by the Senate, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay out of the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1930, to Marion S. Brown, widow of Joshua A. Brown, late the superintendent of construction under the direction of the Architect of the Capitol, a sum equal to one year's salary at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SENATORIAL EXPENSES IN 1930 CAMPAIGN

Mr. DENEEN. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 381, extending until the end of the first session of the Seventy-second Congress the special committee on investigation of senatorial campaign expenditures, submitted by Mr. NYE on December 19, 1930; and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the resolution.

The amendment was, in line 7, to strike out "end of the first session" and insert "first legislative day in January, 1932," so as to make the resolution read:

Resolved, That Senate Resolution No. 215, agreed to April 10, 1930, authorizing and directing a special committee of the Senate to investigate the campaign expenditures of and contributions to the various candidates for the United States Senate in the campaign terminating in the general election in November, 1930, hereby is extended in full force and effect until the first legislative day in January, 1932, of the Seventy-second Congress; and said committee hereby is authorized to expend out of the contingent fund of the Senate \$50,000 in addition to the amount heretofore authorized for the above-mentioned purposes.

The amendment was agreed to.

The resolution as amended was agreed to.

THE ELEVENTH ANNIVERSARY OF THE EIGHTEENTH AMENDMENT

Mr. SHEPPARD. Mr. President, on the eleventh anniversary of national prohibition it is appropriate to call attention to a recent statement of Thomas A. Edison, whom the world numbers among its foremost thinkers and inventors, and whom modern civilization includes among its principal creators and benefactors, to the effect that the eighteenth amendment has helped the industrial and economic life of America at home and strengthened the industrial standing of our Nation abroad. He said, further, that in his judgment children are better fed and clothed and educated since the coming of national prohibition than they were before. Citing his experience as a manufacturer, which he said was similar to that of other manufacturers, he added that on pay days before prohibition hundreds of pale-faced women, shabbily dressed, some with faded shawls around their heads, appeared at his factory at West Orange, that they were waiting to get some of their husband's money before he got to a saloon, that within a year after the passage of the eighteenth amendment not a single woman appeared. He asserted, also, that the boys and girls of America are more likely to develop a higher degree of physical and mental fitness and become in every way better and more useful citizens under national prohibition of the liquor traffic than under the old license system or any form of State or Government control.

Alcohol as a beverage is a source of infinite injury to a great majority of those who become its victims, to society, and to civilization. It enfeebles or destroys the physical strength and skill, the intellect and will, the moral impulses of by far the larger number of its devotees. It is a habit-forming drug and obtains a hold on this larger number which only with the greatest difficulty can be shaken off, and sometimes not at all. In many instances it banishes self-respect, destroys or imperils sanity, develops cruelty and criminality, subjecting women and children in numerous instances to torture, poverty, starvation, death. It is a scourge of the human race, an enemy of mankind. To say that the traffic in it should not be forbidden by law and fought by every

weapon at our disposal is to say that right should yield to wrong. It was the desire to conserve human values that did as much to establish national prohibition as any other thing. It is the desire to conserve human values that will cause us to wage unceasing war against the whole brood of illicit liquors, from whatever source, from our own land or from other lands. The fight against beverage alcohol reached an intensive status when increased population, increased production, increased capital, increased chances for gain made possible by the machine age united to bring about the manufacture of intoxicants to an extent that threatened the permanent corruption and control of government, the general impairment of health and morals and efficiency. The battle raged from year to year with growing fury, until the people at last wrote prohibition into the Constitution of the United States, and there it will remain forever. Every national election since the adoption of nation-wide prohibition has returned overwhelming dry majorities to both House and Senate, and the last election is no exception.

Without foundation in fact is the charge that prohibition has caused a steady increase in crime. Judge Herbert G. Cochran, of Norfolk, Va., acting president of the National Probation Association, stated in an address before that organization at its convention in San Francisco in June of 1929 that, despite the increase in population in the United States, actual commitments dropped one-third from 1913 to 1923 and that the ratio had not increased materially since. Mr. Sanford Bates, superintendent of Federal prisons, while commissioner of correction of Massachusetts showed in his report to the judiciary committee of the State legislature on February 9, 1928, that under prohibition the number of offenses against the person per 100,000 had declined more than 40 per cent in Massachusetts, drunkenness 40 per cent, and that neglect of children had declined more than 50 per cent. He added that violation of the narcotic drug law had steadily declined under prohibition in that State.

Also without foundation is the assertion that young people are drinking more to-day than ever before. Returns from a survey of a million high-school students made within the last year and a half show that the use of liquor by the young is steadily decreasing—a survey made by Mr. C. W. Crabtree, secretary of the National Education Association. On the basis of reports received Mr. Crabtree declared that there is less drinking, delinquency, and carousing among high-school students than in 1920, and that, in his opinion, these reports justified the statement that drinking is decreasing each year among high-school students. Dr. Charles Franklin Thwing, a former president of Western Reserve University, after a careful study of youth and drinking to-day declares that, in his opinion, intemperance among college men is becoming far less common and that his observation includes a period of more than half a century. He refers to contradictory testimony, the use of hip-pocket flasks, and reports of unseemly behavior at parties, but his conclusion is that—

Taken all in all, in country colleges and urban, in institutions large and small, intemperance has in the last 50 years, and in the last 10, distinctly lessened.

Within the last year the Daily Times, of Chicago, has pointed to a decrease in drinking among young people in that city and quoted a West Side bootlegger to the effect that—

Young people have gotten tired of making suckers of themselves, spending money for something that is worthless and waking up with sick headaches that make them inefficient in their work; meanwhile the old timers are dying like flies.

At this point let us note the division among the wets as to what course they would favor in connection with the liquor traffic in the event of the repeal of prohibition, something, of course, which will never occur.

Some among them advocate the complete entry of the Federal Government into the liquor business, including production, distribution, marketing, retail sale.

Others suggest as a substitute for the eighteenth amendment that each State be authorized to engage in the liquor business if it should so desire.

Still others would leave the situation as it was before the eighteenth amendment was adopted.

Clearly, the wets are hopelessly divided as to what they would propose to take the place of national constitutional prohibition.

Let us consider the question of government monopoly of the liquor traffic. Take the experience of nations, States, Provinces, and communities which have tried it. There resulted a tremendous increase in the consumption of alcoholic beverages, the diversion of huge sums from purchase of essentials, like food and clothing, to the buying of alcoholic drink. Other effects were unspeakable political corruption and the degradation of the government before its people and the world as it took up the part of bartender, liquor vender, producer, dealer. Moonshining, rum running, bootlegging, and similar forms of crime seemed under government monopoly to receive a fresh impetus. In fact, the shameful conditions of the license system were repeated on a larger scale in the name of law and government. The conclusion can not be avoided that government control of liquor means liquor control of government; that State control of liquor means liquor control of State.

In a recent issue of Liberty it was said:

Let those States which want to be wet be wet, and let those States which want to be dry be dry. Let there be the most stringent legislation possible to prevent liquor from leaking out of wet States into dry ones.

The answer is that the most stringent legislation possible will not prevent liquor from leaking out of wet States into dry ones. One of the principal causes of nation-wide prohibition was the inability of States which had voted dry to prevent liquor shipments from States which were wet. Today they would be less able than ever before to prevent such shipment, because we have to-day more improved highways, more autos, auto trucks, and airplanes and more carriers by water than ever before. Increased and increasing facilities of transportation and communication have reduced this Nation, so far as the transaction of business is concerned, to the size of a State of medium area, and it would now be a more hopeless task than ever to endeavor to prevent liquor lawfully sold in one State from reaching another State which might forbid its sale. There is no possibility of compromise. The Nation must be altogether dry or altogether wet.

To the claim that the eighteenth amendment was adopted without due consideration let it be replied that this amendment was ratified by legislatures elected mainly in 1916 and 1918. National prohibition amendments had been pending in Congress since December, 1913, and the whole Nation was on notice that both Congress and the States might be called upon to act upon the question at any time. Both in Congress and the States the issue of nation-wide prohibition was actively, earnestly, and continuously debated and considered from December, 1913, until submission by Congress in 1917.

The voters of the Nation were on notice when they were electing legislatures in 1916 and 1918 that the members of those legislatures might have before them the matter of ratifying a nation-wide prohibition amendment to the Federal Constitution. Never was an issue more distinctly made, and who will say that the American people were not overwhelmingly in favor of national constitutional prohibition in the face of the following facts: Within 13 months after submission the nation-wide prohibition amendment was ratified by the legislatures of more than 36 States and became a part of the Federal Constitution. All the other States but two followed within the next six weeks. The majorities by which these legislatures ratified were so tremendous as to indicate beyond all doubt that a dry nation had come into being and was speaking its will.

The following table compiled from legislative journals shows the States ratifying the eighteenth amendment to the Constitution of the United States, the amendment which established national constitutional prohibition. It gives the order, date, and vote by which their respective legislatures

ratified the joint resolution of Congress proposing the amendment and shows whether at a regular or special session.

State	Senate	House
1. Mississippi, regular session	Jan. 8, 1918; 29 to 5	Jan. 8, 1918; 93 to 3.
2. Virginia, regular session	Jan. 10, 1918; 30 to 8	Jan. 11, 1918; 84 to 13.
3. Kentucky, regular session	Jan. 14, 1918; 27 to 5	Jan. 14, 1918; 67 to 11.
4. South Carolina, regular session	Jan. 18, 1918; 34 to 6	Jan. 23, 1918; 66 to 28.
5. North Dakota, special session	Jan. 25, 1918; 43 to 2	Jan. 24, 1918; 96 to 10.
6. Maryland, regular session	Feb. 13, 1918; 18 to 7	Feb. 8, 1918; 68 to 35.
7. Montana, special session	Feb. 15, 1918; 34 to 2	Feb. 13, 1918; 79 to 7.
8. Texas, special session	Feb. 28, 1918; 15 to 7	Mar. 1, 1918; 73 to 35.
9. Delaware, special session	Mar. 18, 1918; 13 to 3	Mar. 14, 1918; 27 to 6.
10. South Dakota, special session ¹	Mar. 19, 1918; 43 to 0	Mar. 20, 1918; 86 to 0.
11. Massachusetts, regular session	Apr. 2, 1918; 27 to 12	Mar. 26, 1918; 145 to 91.
12. Arizona, special session	May 23, 1918; 18 to 0	May 24, 1918; 29 to 3.
13. Georgia, regular session	June 25, 1918; 35 to 2	June 26, 1918; 129 to 24.
14. Louisiana, special session	Aug. 6, 1918; 21 to 20	Aug. 8, 1918; 69 to 41.
15. Florida, regular session	Nov. 27, 1918; 25 to 2	Nov. 27, 1918; 61 to 3.
16. Michigan, regular session ²	Jan. 2, 1919; 30 to 0	Jan. 2, 1919; 88 to 3.
17. Ohio, regular session	Jan. 7, 1919; 20 to 12	Jan. 7, 1919; 85 to 29.
18. Oklahoma, regular session	Jan. 7, 1919; 43 to 0	Jan. 7, 1919; 90 to 8.
19. Maine, regular session	Jan. 8, 1919; 29 to 0	Jan. 8, 1919; 120 to 22.
20. Idaho, regular session ¹	Jan. 8, 1919; 38 to 0	Jan. 7, 1919; 62 to 0.
21. West Virginia, regular session	Jan. 8, 1919; 25 to 0	Jan. 9, 1919; 81 to 3.
22. Washington, regular session ¹	Jan. 13, 1919; 42 to 0	Jan. 13, 1919; 93 to 0.
23. Tennessee, regular session	Jan. 8, 1919; 28 to 2	Jan. 13, 1919; 82 to 2.
24. California, regular session	Jan. 10, 1919; 25 to 14	Jan. 13, 1919; 48 to 23.
25. Indiana, regular session	Jan. 13, 1919; 41 to 6	Jan. 14, 1919; 87 to 11.
26. Illinois, regular session	Jan. 8, 1919; 30 to 15	Jan. 14, 1919; 84 to 65.
27. Arkansas, regular session	Jan. 14, 1919; 30 to 0	Jan. 13, 1919; 94 to 2.
28. North Carolina, regular session	Jan. 10, 1919; 49 to 0	Jan. 14, 1919; 94 to 10.
29. Alabama, regular session	Jan. 14, 1919; 23 to 11	Jan. 14, 1919; 64 to 34.
30. Kansas, regular session ¹	Jan. 14, 1919; 39 to 0	Jan. 14, 1919; 121 to 9.
31. Oregon, regular session	Jan. 15, 1919; 30 to 0	Jan. 14, 1919; 55 to 3.
32. Iowa, regular session	Jan. 15, 1919; 42 to 7	Jan. 15, 1919; 86 to 13.
33. Utah, regular session	Jan. 15, 1919; 16 to 0	Jan. 14, 1919; 43 to 0.
34. Colorado, regular session	Jan. 15, 1919; 34 to 1	Jan. 15, 1919; 60 to 2.
35. New Hampshire, regular session	Jan. 15, 1919; 19 to 4	Jan. 15, 1919; 222 to 131.
36. Nebraska, regular session	Jan. 14, 1919; 31 to 1	Jan. 16, 1919; 98 to 0.
37. Missouri, regular session	Jan. 16, 1919; 22 to 10	Jan. 16, 1919; 104 to 39.
38. Wyoming, regular session	Jan. 16, 1919; 25 to 0	Jan. 16, 1919; 53 to 0.
39. Wisconsin, regular session	Jan. 15, 1919; 19 to 11	Jan. 17, 1919; 58 to 39.
40. Minnesota, regular session	Jan. 16, 1919; 48 to 11	Jan. 17, 1919; 92 to 36.
41. New Mexico, regular session	Jan. 20, 1919; 12 to 4	Jan. 16, 1919; 45 to 1.
42. Nevada, regular session	Jan. 21, 1919; 14 to 1	Jan. 20, 1919; 34 to 3.
43. Vermont, regular session	Jan. 16, 1919; 24 to 4	Jan. 29, 1919; 155 to 53.
44. New York, regular session	Jan. 29, 1919; 27 to 24	Jan. 23, 1919; 81 to 66.
45. Pennsylvania, regular session	Feb. 25, 1919; 29 to 16	Feb. 4, 1919; 110 to 93.
46. New Jersey, regular session	Mar. 7, 1922; 12 to 2	Mar. 9, 1922; 33 to 24.

¹ Unanimous in both houses.

² Repassed in house to correct error in January, 1923.

Total senate vote: 1,310 for, to 237 against—84.6 per cent dry.

Total house vote: 3,782 for, to 1,035 against—78.5 per cent dry.

This record is all the more amazing because the liquor traffic had been maintaining lobbies at Washington and in the States in an effort to preserve its legal status. The fact that it had maintained these lobbies for many years and had obtained places of vantage and secret control such as perhaps had never been secured by any other special interest makes the absurdly small vote they were able to control against ratification in the legislatures of 46 States a tribute to the universal hold prohibition had come to have on the minds and hearts of the American people.

Since the arrival of national prohibition the wets have blossomed into champions of State rights. Before national prohibition, when dry States were struggling to resist incursions of the liquor traffic from wet States, where were these wet advocates of the rights of States? They were opposing with all the vigor at their command the enactment of legislation preventing interstate shipments of intoxicating liquor from wet States into dry States. It required years of effort on the part of the dries to secure the passage of the Webb-Kenyon Act in order to safeguard to some extent the dry States from liquor invasions by liquor dealers and producers in wet States. That complete security could not be established against liquor shipments from wet States was one of the chief causes of national prohibition.

When prohibition was adopted in State after State within the Nation the wet leaders said it would be of no avail, because the wet States would send torrents of liquor into the dry ones under the protection of the interstate commerce clause of the National Constitution. They said that under

such a condition the rights and powers of States must yield to the Nation's organic law. When at last liquor was forbidden by Federal constitutional enactment throughout the Nation they set up a clamor for the rights of States to be wet or dry in accordance with the separate will of each, knowing full well from the experience of the past that the return of State control would mean, with modern facilities of transport, a death blow for prohibition. When prohibition is a matter of State right and State control and State power they are for the Nation as against the State. When prohibition is a matter of national right and national control and national power they are for the State as against the Nation. As a matter of fact they are for booze first and booze last—booze yesterday, to-day, and forever.

There are some who say that prohibition sends forth an army of spies and meddlers. This is the attitude of every criminal against the officers of the law. Every thief regards enforcement officials as spies and meddlers. Gambler and gangster, rum runner and racketeer, moonshiner and murderer, all look upon the enforcers of law as meddlers and spies and enemies. Those who attempt to bring the officers of the law into disrepute are pursuing a course which if carried far enough will undermine law itself and the order and the security of person and property resting on law.

Those who clamor for the restoration of legalized liquor have short memories or no knowledge of the lawlessness and corruption for which legalized liquor stood before it was stripped of legal status by the same constitutional process which destroyed human slavery. They should be reminded of what a group of investigators composed of selected members of the Judiciary Committee of the Senate found as to the activities of the liquor interests in the days before prohibition. Here is a summary of what that distinguished body ascertained, a body appointed in preprohibition days to examine the operations of the legalized liquor traffic:

The liquor interests furnished large sums of money for the purpose of secretly controlling newspapers and periodicals.

They frequently controlled or attempted to control primaries, elections, and political organizations.

They contributed large sums of money to political campaigns in violation of Federal and State statutes.

They exacted pledges from candidates for public office before election.

They attempted to subsidize the public press and partly succeeded in so doing.

They resorted to an extensive system of boycotting American manufacturing and mercantile concerns for the purpose of coercing them into silence or into active support.

They created their own political organizations in many States and political subdivisions of States in order to establish their own political control and financed these organizations with large contributions and assessments.

They organized clubs, leagues, and corporations to carry out in secret their political objects without their interest being known to the public.

They recorded funds expended for political purposes as proper business expenditure and failed to return them for taxation under the revenue laws of the Nation.

They endeavored by a subtle plan of advertising to control the foreign-language press of the United States.

They subsidized authors of prominence in literary circles to write articles on subjects selected by these interests for standard magazines.

A working agreement existed for many years between the brewing and the distilling interests by which the former contributed two-thirds, the latter one-third of their combined political expenditures.

This is but a hasty review of the facts developed by that investigating body. In addition, the liquor traffic, while it was allowed a legal existence, violated as a general rule every law for its regulation and control. Under such conditions it continued to spread the alcoholic habit among the people, coining the misery, the shame, the tears, the very lives of vast numbers of human beings into

unholy gain. It was stronger than precincts, and counties and townships and States. Against such a situation the American people in self-defense invoked the power of the Nation. With characteristic criminality the liquor traffic now endeavors to defy the Nation, but it no longer wears the cloak of law. We are in infinitely better position to continue the fight against it when the Constitution of the United States stamps it as an outlaw in every part of the Republic.

The decrease in death rates during the prohibition era has equaled the saving of 200,000 lives per year. Such is the conclusion of a study on this subject by the Census Bureau of the United States. Under the old-time license system beverage alcohol took a frightful toll of 200,000 lives each year by increasing the liability and the possibility of contagion, by decreasing resistive powers, by lowering living standards, by nullifying the curative efforts of medical science.

The principal foundation on which prohibition rests today is the voluntary obedience of the great mass of the American people. The comparative handful of prohibition-enforcement officials, about 1,700, exclusive of those doing clerical and legal work, scattered among 123,000,000 American people would be overwhelmed but for the fact that they must cope with but a comparatively small and lawless minority. To call this enforcement group an army threatening the home, menacing privacy, and imperiling the liberty of the American people is another wringing-wet absurdity.

We are told that moderation is better than prohibition—and one of the organizations fighting prohibition calls itself the Moderation League. The answer is that the operation of machine power, the basis of modern civilization, calls for prohibition of intoxicating liquor, the steady nerve, the firm hand, the unclouded brain. Who wants to ride upon a modern train with a moderate drinker for an engineer? Who desires to become a passenger in an automobile with a moderate drinker for a driver or in an airplane with a moderate drinker for a pilot? Who would feel secure on an ocean liner charging the darkness and the storm with a moderate drinker at the wheel and a temperate indulger on the bridge? Who would willingly submit to the knife of a moderate drinker for a surgeon? A few years ago the Washington baseball team won the pennant of its league and was preparing for the world series. All Washington was enthused, and a dinner was given the home team, at which every element in the life of this city was to be represented. It was universally insisted in soaking-wet Washington that no intoxicating liquors be served at that dinner, and no liquors were served. Wet Washington knew the effect which even a small quantity of alcoholic liquor might have on the team, when every particle of its physical and mental strength was to be conserved. Mr. President, if prohibition of alcoholic liquor is essential in the winning of a baseball game, how much more essential is it in winning the greater game of life? It is fairly easy to avoid the visibly intoxicated man, to keep him out of danger, and prevent him from being a menace to others. But the quiet, unobserved, moderate drinker, who gives no notice of his condition, apparently sober but temperately drugged, is an enemy in ambush of modern life and may inflict unmeasured injury before he is discovered. Offensive and dangerous as the noticeably intoxicated individual may be, he is far less a social evil than the moderate drinker. Science has shown that a single glass of beer will slow up for four hours the muscular reactions and nerve reflexes, rendering it difficult, if not impossible, for the imbiber to make the quick decisions and take the rapid actions necessary in emergencies to save life or limb.

No greater disaster could befall the Nation than the repeal of the eighteenth amendment.

Repeal the eighteenth amendment and your action will be construed as a deliberate indorsement of the traffic in intoxicating liquor. Repeal the eighteenth amendment and the youth of America will interpret such a step as an invitation to the use of intoxicating beverages, an approval of debauchery. Repeal the eighteenth amendment and you will by that action place the liquor trade in the same class

with the trade in the necessities of existence—on the same level with the traffic in clothing, in shelter, and in food. As the matter now stands the trade in intoxicants is under the heel of the Constitution and the law. They can be obtained only from criminals and outlaws. Reverse this situation, exalt that which you now condemn, and you will let loose upon your country evils which will mean the arrest of its progress, the wreck of its glory, the pollution of its name and fame.

Mr. HEFLIN. Mr. President, I want simply to say a word in behalf of the speech just made by the Senator from Texas [Mr. SHEPPARD]. It is impossible to calculate while a man lives the great amount of good that he does when he espouses a cause whole-heartedly. There is no man in public life who has done as much for prohibition as has the Senator from Texas. The speech which he has delivered here to-day ought to be in the home of every citizen of the United States. It is the greatest prohibition speech to which I have ever listened. I would that every boy in America had it in pamphlet form and could study it. It would be a splendid guidebook for him on his way through life.

I thank the Senator from Texas for the splendid contribution which he has made upon the subject while so many are engaged in the liquor traffic and trying to bring back that deadly and cursed evil upon the land.

Mr. SHEPPARD. Mr. President, I thank the Senator from Alabama.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 15593) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2865) granting the consent of Congress to compacts or agreements between the States of Wyoming and Idaho with respect to the boundary line between said States, and it was signed by the Vice President.

REPORT OF CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a communication from the president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the report of the operations of the company for the year 1930, the accounts for the month of December being only estimated, which, with the accompanying report, was referred to the Committee on the District of Columbia.

RELOCATION OF STREET RAILWAY LINES IN VICINITY OF SENATE OFFICE BUILDING

The VICE PRESIDENT laid before the Senate a communication from the Capital Traction Co. and the Washington Railway & Electric Co., signed by their presidents, which was referred to the Committee on Public Buildings and Grounds and ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., January 15, 1931.

HON. CHARLES CURTIS,
Vice President of the United States, Chairman
Commission on Enlarging the Capitol Grounds,
Washington, D. C.

SIR: We refer to the hearing afforded by the Commission on Enlarging the Capitol Grounds, December 8, 1930, to the Capital Traction Co. and the Washington Railway & Electric Co. through their respective presidents and counsel regarding the cost of removal of certain existing street railway lines and their relocation, in the vicinity of the Senate Office Building.

We are now informed by Mr. David Lynn, Architect of the Capitol, under date of December 17, that the commission having considered the matter at a meeting on December 11 have decided to adhere to their original recommendation. This leaves the matter either for the street railway companies to appeal otherwise to Congress or to consider what, if any, other action is feasible to avert the very heavy cost which the existing law charges against them.

As to the first alternative of appealing otherwise to Congress, we recognize that remedial legislation must be dealt with by the Senate and House Committees on Public Buildings and Grounds in the usual method of legislative procedure.

As to other measures for averting the cost imposed upon the companies, we realize that any resort to litigation to determine the validity of the impost would be protracted and final adjudication would be long delayed.

We further realize that the relocation of the street railway tracks is a fundamental part of the completion of the extensive improvements of the Capitol Grounds provided by the existing law.

After deliberation, the companies have determined to proceed under the present mandate of the act entitled "An act to provide for the enlarging of the Capitol Grounds," approved March 4, 1929, and the work will go forward with proper expedition on the part of both companies.

In taking this position, however, we wish to point out that our primary reason is to avoid an obstruction to the progress of the work now being done and planned to be done, and the present employment of labor on the entire undertaking as scheduled.

In this work, the street railway companies are confronted with a burden on their reserves for ordinary and necessary replacements of approximately \$400,000. Financial programs covering necessary repairs on their street railway systems in the District are disarranged and their capital accounts are materially affected by the removal of existing property and construction of new installation.

While the Capitol Grounds act requires the removal of tracks from existing streets and avenues and the building of new tracks elsewhere, there is nothing in the act which provides express franchise rights for operation of the new trackage. All existing track is covered by charter or other authority, which creates the franchise for operation thereof.

These matters involve questions pertinent to the validity of the action of Congress in section 4 of the Capitol Grounds act.

We feel that we should lay before your commission and the Congress these several questions and state to you and to the Congress that, while we will proceed with the work, we do so under protest and we wish to say that in the interest of our stockholders and in the interest of the community in the District of Columbia, as later mentioned, we shall request of Congress in due course the recoupment of the compulsory outlay when ascertained on completion of the work.

We beg to request that this communication be treated as such protest and preserved upon the records of Congress as an assertion of legal and equitable rights in the premises, with a view to future request which we will make for indemnity and relief.

AS TO THE PUBLIC INTEREST

Street railway companies as public utilities are entitled to a fair return upon their properties. The destruction of the street-car tracks in the area affected destroys existing property without reimbursement for the investment therein. The cost of the new construction adds to the capital investment of the companies, and consequently to the value of their property put to public use. This puts an additional burden upon the Washington public, who under the public utilities act, are expected to pay sufficient rates of fare to furnish a fair return upon the value of the entire property publicly used.

Therefore, under existing law affecting the public utilities, the total cost of compliance with the Capitol Grounds act if the companies pay for the work should ultimately be burdened upon that part of the public in the District of Columbia which employs the street railways for travel.

This factor applies under normal conditions when the street railway companies are operating and receiving just returns according to the terms of the public utilities act.

AS TO THE STREET RAILWAY COMPANIES

Under conditions which have arisen since the passage of the Capitol Grounds act the revenues of the street railway companies, already inadequate, have been substantially reduced by competition of unregulated taxicabs. Neither of the street railway companies is at present earning anything approaching a reasonable return on its street railway property. Therefore, under existing conditions, the entire carrying charges on capital expenditures necessary for this work must inevitably come out of the pockets of the shareholders.

As illustrative of this element, the Capital Traction Co., owned in large part by its shareholders, has been compelled within the past two years to reduce its dividends first from \$7 per share to \$6 per share, and later to the present rate of \$4 per share. The stock of the Capital Traction Co. is widely distributed in this community; a very considerable part thereof has been held for one or more generations by the same families, and there are substantial holdings in trust funds for charitable institutions, such as the Louise Home, the John Dickson Home, and various orphanages and hospitals. The reduction of dividend rate on this stock has reduced the incomes of these institutions.

The charging of the cost of the Capitol Grounds' reconstruction to the street railway companies under the requirement of this act means further reduction in the net income, and therefore in the amount available for dividends to shareholders. It is pro tanto a charge against them under existing and immediately prospective condition of street railway operation in the District.

AS TO THE LEGAL ASPECTS

We have earlier stated that the companies have considered their legal rights under section 4 of the Capitol Grounds act, but have decided to proceed with the work in spite of the impairment thereof. We call your attention, however, to these legal elements.

Section 4 of the act is as follows:

"(a) It shall be the duty of any street railway company, the removal of whose tracks is necessary under the plan of the proposed development, when so requested in writing by the Architect of the Capitol, to remove any of such tracks, to repair and restore the space vacated, and to relay such tracks on the streets designated, as may be directed by the Architect of the Capitol, the total cost thereof to be borne by said companies.

"(b) Whenever, in carrying out the provisions of this act, it becomes necessary to change the grade of any street occupied by the tracks of any street railway company the company shall adjust the grade of such tracks to the new grade of the street, the total cost of such adjustment to be borne by said company."

By section 1 of the act the following removals and replacements are required:

SECTION 1 * * * (3) "Closing of C Street to vehicular traffic between New Jersey Avenue and Delaware Avenue, and removal of street-car tracks from C Street and relaying them in a depression and subway between New Jersey Avenue and Delaware Avenue, and extending the street-car tracks on C Street from Delaware Avenue to First Street NE.

"4. Removal of street-car tracks from Delaware Avenue and B Street (including the spur extending from Delaware Avenue into the Capitol Grounds) and relaying them on First Street NE.

In compliance with these paragraphs, trackage is removed from existing streets and avenues and replaced away from any existing street and on a street not now occupied by street-car tracks.

The alterations will add nothing to the revenue-producing expectation of the companies, but, on the contrary, by removal of track layout to a further distance from the Capitol and the depression of part of the tracks, the alterations create an expectancy of less revenue by making the use of street cars to reach the Capitol less desirable, particularly under present conditions of unregulated taxicab operation to the very doors of the Capitol and Senate Office Buildings.

The original charter provisions of the two companies in the District of Columbia governing adjustment of trackage do not extend to nor place any obligation such as is contemplated by the legislation above quoted.

For instance, the original charter of the Metropolitan Railroad Co., one of the underlying charters here involved created by act of Congress, approved July 1, 1864, contains the broadest charter obligation in this regard of the several company charters in the District of Columbia, as follows:

"That nothing in this act shall prevent the Government at any time, at their option, from altering the grade or otherwise improving all avenues and streets occupied by said road, or the city of Washington from so altering or improving such streets and avenues and the sewerage thereof as may be under their respective authority and control; and in such event it shall be the duty of said company to change their said railroad so as to conform to such grade and pavement."

It will be noted that the obligation of the company is only to conform its trackage to new grades made necessary by alteration or improvement of streets and avenues and the sewerage thereof by the Government.

This charter requirement involves only change in grade and not in alignment of trackage.

The burden imposed on the companies by the Capitol Grounds act is to remove all trackage within certain existing streets and avenues, and to rebuild entirely off any street in part, and in part within a street not presently occupied by trackage.

We assert, therefore, that there is no charter obligation which compels the assumption of these heavy costs by the companies.

ACTION OF CONGRESS IN OTHER AND SIMILAR TRANSACTIONS

Following the enactment of the Capitol Grounds act, Congress passed the George Washington Memorial Boulevard act, approved April 3, 1930, in which the following provision was made:

"No part of the construction costs incurred by the Secretary of Agriculture in carrying out the provisions of this section shall be charged against or be paid by the District of Columbia or the street railway company operating cars on said bridge."

This boulevard passes under the south end of the Highway Bridge, and the removal of the two south spans of that bridge and their replacement by an abutment and underpass have necessitated a large expenditure of money. Congress realized that the burden of this cost should not be placed either upon the District of Columbia, which owns the bridge, or upon the street railway company, whose tracks were removed and replaced.

We point out that there is no distinction in fact, policy, or equity in the two cases. Yet Congress has assumed the burden in the one case and imposed it on the street-railway companies in the other. We respectfully state that this constitutes arbitrary discrimination.

We urge upon Congress the higher equity in our favor in the Capitol Grounds situation, because existing property is of necessity destroyed entirely, replacement elsewhere in a less advantageous location is required, and the companies are affected, not only in existing property but by a reduction of prospective revenue.

We further point out that the cost of rebuilding the steam railroad embankment south of the Long Bridge has been assumed by the Government, and all cost to the railroad company of temporary trackage, culvert construction, and rebuilding of tracks has been indemnified from the Public Treasury.

In the extension of the Capitol Grounds, however, Congress has seen fit, where only the interest of the Nation in the Capital of the United States is concerned, to impose the entire burden of removal and reconstruction of street-car tracks upon the street railway companies alone.

Congress authorized by section 6 of the Capitol Grounds act the appropriation of \$4,912,414 to enable the Commission for the Enlarging of the Capitol Grounds to carry out the provisions of the act. Every person owning a dwelling house, land, or other property in the area affected has been or will be recouped from the Public Treasury for any damage this public improvement imposes upon him. Only the street-railway companies are impressed with the burden of sacrificing property and going to additional expenditure to further this public project. All others are reimbursed from the Public Treasury.

CONCLUSION

The companies will, as first stated, proceed with the work imposed upon them and will defray the expense as the work proceeds, but they do this under protest and only because ascertainment of their legal rights would necessitate delay, which would interfere with a great public undertaking and interrupt the present employment of workmen in a time of general unemployment.

The companies proceed upon the theory that Congress will in due course award to the companies the just treatment which has been accorded elsewhere in similar situations.

Legislation is pending in Congress directing the Public Utilities Commission to reduce street-car fares for school children in the District of Columbia. The enactment of such legislation will materially reduce the current revenues of each company.

We feel warranted in mentioning the fact that the street railway companies now pay the salaries of crossing policemen, maintain at constantly increasing cost the pavements between their tracks and other paving in addition, the wear and tear of which is largely augmented by the very taxicabs and other unregulated carriers whose competition depletes the companies' revenues. We are always subjected to heavy expense of renewals due to the costly underground electric conduits that the beautification of the National Capital requires. The companies in addition pay heavy taxes on their gross receipts, while their unregulated competitors using the public streets pay no such taxes. We feel that the companies should receive relief rather than be subjected to charges such as we now protest.

This illustrates the burdens which the street railways of the District of Columbia are compelled to assume for the service of the community, hoping ultimately only that their operations may bring a fair return under the public utilities act to their properties and the owners thereof.

We say finally that the requirement of the Capitol Grounds act imposes substantially 8 per cent of the entire cost of the Capitol Grounds extension not upon the Nation for whom the entire work is being done but upon our two street-railway companies directly and upon the patrons thereof indirectly.

We go forward with the work in anticipation that Congress will in due course award relief to the companies therefor.

Respectfully,

THE CAPITAL TRACTION CO.,
By J. H. HANNA, President.
WASHINGTON RAILWAY & ELECTRIC CO.,
By WILLIAM F. HAM, President.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of J. K. M. Barry, of Clarendon, Va., praying the United States, through the Congress, for the passage of legislation to: "(1) Restore to me my former position in the Income Tax Bureau from which I was dismissed by the present administration on December 31, 1929, on false charges and without the hearing to which I was entitled under civil service; (2) remove from my record the said charges; and (3) compensate me in accordance with the fifth amendment to the Federal Constitution in the amount of \$10,000,000 for certain private property appropriated by the United States through the present administration," which, with the accompanying papers, was referred to the Committee on Finance.

He also laid before the Senate the petition of a committee headed by Hon. Charles Dick, chairman of the North Eastern Ohio Convention of Veterans of All Wars, held at Akron, Ohio, favoring the passage of legislation for the immediate payment of certificates of adjusted pay issued in 1925 to veterans of the World War and redeemable in 1945, which was referred to the Committee on Finance.

He also laid before the Senate the petition of Lincoln Post, No. 13, of the Alliance of the American Veterans of Polish Extraction, of Cleveland, Ohio (numbering 300 World War veterans), praying for the passage of legislation for the prompt payment of the adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Presbytery of Boston, of the Presbyterian Church of the United States of America, in session at Mattapan, Mass., favoring the ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by sundry Filipinos residing on the Pacific coast, favoring the independence of the Philippine Islands, and protesting against any immigration legislation that may be unfair to the Filipino people, which was referred to the Committee on Immigration.

He also laid before the Senate a letter from Charles Davis, of Bass River, Cape Cod, Mass., referring to previous correspondence and stating in part: "The evenings at Columbia University, as stated in all public announcements, will be devoted to an open forum or symposium for the presentation of the subject of unemployment from any angle or point of view chosen by any speaker, and without fear or favor," which was referred to the Committee on Education and Labor.

He also laid before the Senate a petition signed by Abbott E. Kay, M. D. (U. S. Supreme Court Cause No. 843, Abbott E. Kay, M. D., v. U. S. Federal Trade Commission), being petition seeking protection of petitioner's property rights in his discoveries of radioactive substances, inclusive of radium, which, with the accompanying paper, was referred to the Committee on the Judiciary.

He also laid before the Senate petitions of sundry citizens of the State of Georgia, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. COPELAND presented petitions numerous signed by sundry citizens of the State of New York, praying for the passage of legislation for the exemption of dogs from vivisection in the District of Columbia, which were referred to the Committee on the District of Columbia.

Mr. JONES presented a petition of members of the faculty of Queen Anne High School, of Seattle, Wash., favoring the ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented petitions of sundry citizens of the State of Maryland, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

Mr. VANDENBERG presented a communication from Wallace J. Howells, president of the Veterans' Political Association of America (Inc.), Detroit, Mich., stating the position of that organization regarding the payment of adjusted-compensation certificates, and favoring the passage of a "full face value payment bill" and not a percentage bill, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES

Mr. REED, from the Committee on Military Affairs, to which was referred the bill (S. 5732) to authorize the acquisition for military purposes of land in Orange County, N. Y., for use as an addition to the West Point Military Reservation, reported it without amendment and submitted a report (No. 1307) thereon.

Mr. DALE, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 5519. An act granting the consent of Congress to Louisville & Nashville Railroad Co. to construct, maintain, and operate a railroad bridge across the Tennessee River at or near Danville, Tenn. (Rept. No. 1308); and

S. 5722. An act granting the consent of Congress to the State Highway Commission and the Board of Supervisors of Itawamba County, Miss., to construct a bridge across Tombigbee River at or near Fulton, Miss. (Rept. No. 1309).

Mr. DALE also, from the Committee on Commerce, to which was referred the bill (S. 5688) granting the consent of Congress to the State of New Hampshire to construct, maintain, and operate a toll bridge or dike across Little Bay at or near Fox Point, reported it with an amendment and submitted a report (No. 1311) thereon.

Mr. McMASTER, from the Committee on Claims, to which was referred the bill (S. 401) for the relief of Claude J. Church, reported it without amendment and submitted a report (No. 1310) thereon.

Mr. HARRIS, from the Committee on Military Affairs, to which was referred the bill (S. 5246) to amend the act entitled "An act for the erection of a tablet or marker to be placed at some suitable point between Hartwell, Ga., and Alford's Bridge, in the county of Hart, State of Georgia, on the national highway between the States of Georgia and South Carolina, to commemorate the memory of Nancy Hart," reported it with amendments and submitted a report (No. 1313) thereon.

Mr. BLACK, from the Committee on Military Affairs, to which was referred the bill (H. R. 14266) authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital-ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillowcases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water); to be used at the encampment of the United Confederate Veterans, to be held at Montgomery, Ala., in June, 1931, reported it without amendment and submitted a report (No. 1312) thereon.

He also, from the Committee on Claims, to which was referred the bill (S. 4353) for the relief of the Orange Car & Steel Co., of Orange, Tex., successor to the Southern Dry Dock & Ship Building Co., reported it with amendments and submitted a report (No. 1314) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 1249. An act for the relief of Daniel S. Schaffer Co. (Inc.) (Rept. No. 1315); and

S. 1671. An act for the relief of Stillwell Bros. (Inc.) (Rept. No. 1316).

ENROLLED BILL PRESENTED

Mr. PARTRIDGE, from the Committee on Enrolled Bills, reported that on to-day, January 16, 1931, that committee presented to the President of the United States the enrolled bill (S. 2865) granting the consent of Congress to compacts or agreements between the States of Wyoming and Idaho with respect to the boundary line between said States.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. REED, from the Committee on Military Affairs, reported favorably the nominations of sundry officers in the Officers' Reserve Corps and in the Regular Army, which were placed on the Executive Calendar.

Mr. PHIPPS, from the Committee on Post Offices and Post Roads, reported favorably sundry post-office nominations, which were placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

A bill (S. 5744) for the relief of Jep Knight (with an accompanying paper); to the Committee on Claims.

By Mr. TOWNSEND:

A bill (S. 5745) to amend the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine," approved August 2, 1886, as amended; to the Committee on Agriculture and Forestry.

By Mr. TYDINGS:

A bill (S. 5746) granting the consent of Congress to the County Commissioners of Baltimore County, Md., to construct, maintain, and operate a free highway bridge across Deep Creek at or near Marlyn Avenue, Baltimore County, Md.; to the Committee on Commerce.

By Mr. SHIPSTEAD:

A bill (S. 5747) to provide for the determination of claims for damages sustained by the fluctuation of the water levels

of the Lake of the Woods in certain cases, and for other purposes; to the Committee on Foreign Relations.

A bill (S. 5748) to extend the benefits of the emergency officers' retirement act to certain emergency officers of the war with Spain, the Philippine insurrection, and the Chinese Boxer rebellion; to the Committee on Military Affairs.

By Mr. BLAINE:

A bill (S. 5749) for the relief of the town of Oneida, Wis.; to the Committee on Indian Affairs.

By Mr. HOWELL:

A bill (S. 5750) to amend the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine," approved August 2, 1886, as amended; to the Committee on Agriculture and Forestry.

By Mr. DENEEN:

A bill (S. 5751) to provide for the reincorporation of the Daughters of Union Veterans of the Civil War, 1861-1865; to the Committee on the Judiciary.

By Mr. PHIPPS:

A bill (S. 5752) to fix more equitably the responsibility of postmasters; to the Committee on Post Offices and Post Roads.

By Mr. THOMAS of Oklahoma:

A bill (S. 5753) authorizing the Secretary of Agriculture to issue permit to the Izaak Walton League of America to enter the Wichita National Forest and Game Preserve to make and submit plans for the development of a memorial commemorating the achievements of said Izaak Walton League of America; to the Committee on Public Lands and Surveys.

CHANGE OF REFERENCE

On motion of Mr. SHORTRIDGE, the Committee on Naval Affairs was discharged from the further consideration of the bill (S. 5568) for the relief of John S. Bonner, and it was referred to the Committee on Military Affairs.

INVESTIGATION OF CAMPAIGN EXPENDITURES

Mr. GLASS. I offer a resolution to which I am sure there will be no objection. I will have to leave the Chamber in a moment, and will ask that the resolution may be read and acted upon at this time.

Mr. SMOOT. Let the resolution be reported.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 403), as follows:

Resolved, That the special committee of the Senate to investigate campaign expenditures, created under authority of Senate Resolution 215, adopted April 10, 1930, is hereby further authorized and directed to investigate any complaint made before such committee by any responsible person or persons, alleging (1) the violation, at any time within two years preceding the adoption of the aforesaid resolution, of any provision of the Federal corrupt practices act, 1925, involving a false statement of campaign expenditures, or (2) a fraudulent conversion to private uses, at any time within such period of two years, of any campaign funds contributed for use in any election as defined in the Federal corrupt practices act, 1925. The committee shall investigate fully the allegations in all such complaints and shall, as soon as practicable, make a full report thereon to the Senate.

The PRESIDING OFFICER. The Chair thinks the resolution ought to go over under the rule.

Mr. GLASS. Does the Chair object to it?

The PRESIDING OFFICER. He does.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 15593. An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1932, and for other purposes; to the Committee on Appropriations.

H. R. 7254. An act to amend an act entitled "An act making an appropriation for the survey of public lands lying within the limits of land grants, to provide for the forfeiture to the United States of unsurveyed land grants to railroads, and for other purposes," approved June 25, 1910;

H. R. 8534. An act for the transfer of jurisdiction over Sullys Hill National Park from the Department of the Interior to the Department of Agriculture, to be maintained as the Sullys Hill national game reserve, and for other purposes;

H. R. 12404. An act to amend the act of April 9, 1924, so as to provide for national-park approaches;

H. R. 12697. An act to authorize an exchange of lands between the United States and the State of Utah;

H. R. 13547. An act to safeguard the validity of permits to use recreational areas in the San Bernardino and Cleveland National Forests; and

H. R. 15008. An act to extend the south and east boundaries of the Mount Rainier National Park, in the State of Washington, and for other purposes; to the Committee on Public Lands and Surveys.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. HAYDEN. Mr. President, I rise to offer an amendment to the Interior Department appropriation bill, and I ask for action upon it.

There being no objection, the Senate resumed the consideration of the bill (H. R. 14675) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1932, and for other purposes.

Mr. HAYDEN. Mr. President, if the time is opportune to offer individual amendments to the bill, I submit the following amendment.

The PRESIDING OFFICER (Mr. COUZENS in the chair). The clerk will read the amendment offered by the Senator from Arizona.

The CHIEF CLERK. On page 20, line 8, after the words "tribal funds," insert the following:

Of which \$10,000 shall be immediately available.

Mr. HAYDEN. The amendment I have offered makes immediately available \$10,000 out of the appropriation of \$125,000 provided on page 20 of the bill for lease, pending purchase, of additional land for the Navajo Indians. I have in my hand a justification for the amount in the form of a letter from the Commissioner of Indian Affairs asking that this action be taken.

Mr. SMOOT. Mr. President, I am fully aware of the condition existing in the Senator's State and I have no objection to the amendment.

Mr. WHEELER. Mr. President, let us have the letter read.

The PRESIDING OFFICER. The Senator from Montana asks that the letter be read. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, January 3, 1931.

Memorandum for Senator HAYDEN.
Subject: Purchase or lease of Navajo land.

Proposed amendment to Interior Department appropriation bill: Page 20, line 8, after the word "funds," insert "of which \$10,000 shall be immediately available."

The appropriation act for the present year authorized an expenditure of \$50,000 from tribal funds of Navajo Indians and from this appropriation small allotments have been made for the purpose of leasing certain areas needed for grazing of Indian-owned sheep. There is a considerable area which the Government will ultimately purchase for the use and benefit of the Navajo Tribe, and it is desirable that funds be made available immediately for negotiating leases prior to the beginning of the next fiscal year. It will be noted from the text appearing in line 6 that there is a new provision which authorizes lease pending purchase. If sufficient funds were available in the current appropriation, it would not be necessary to request the amendment; but because of the shortage of funds we must have \$10,000 of the new appropriation immediately available. If the Government can not negotiate leases covering some of these lands, they may pass out of ownership and not be available when we are ready to go forward with the purchase of this area.

C. J. RHOADS,
Commissioner of Indian Affairs.

Mr. BRATTON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from New Mexico?

Mr. HAYDEN. I do.

Mr. BRATTON. Does the Senator know what land the commission contemplates leasing for the use of the Navajo Tribe?

Mr. HAYDEN. It is to be leased pending purchase. The bill carries a considerable sum for the purchase of land and it is desired to tie up certain tracts by lease, if possible, until such time as the title thereto may be inspected. The land lies primarily between the southern border of the Navajo Reservation and the Santa Fe Railroad, being principally in alternate sections.

Mr. BRATTON. But the lands under consideration for purchase and lease in advance of purchase are situated in Arizona?

Mr. HAYDEN. I understand there are some proposals for the purchase of lands in New Mexico for the benefit of the Navajo Indians.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Arizona is agreed to.

Mr. HAYDEN. Mr. President, I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 88, line 14, strike out "\$48,000" and insert in lieu thereof "\$50,000," so as to read:

For operation and maintenance of the Lees Ferry, Ariz., gaging station and other base-gaging stations in the Colorado River drainage, \$50,000.

Mr. HAYDEN. The Budget carries an estimate of \$50,000 for continuing the operation of the Lees Ferry gaging station in the Colorado River. I do not know why the House reduced it by \$2,000. I ask the Senator in charge of the bill to accept the amendment and take it to conference in order to find out why that action was taken.

Mr. SMOOT. Mr. President, I may say that the House decided that the \$48,000 was sufficient, and did so, as I understand, without hearings; but I am perfectly willing the item should go to conference. We will present the matter in conference, and if there is any opposition we will ask some one from the department to come before the conference committee and explain it.

Mr. HAYDEN. This is the most important gaging station on the Colorado River, and if the United States Geological Survey estimated that \$50,000 is needed to carry on the work, the full amount should be allowed.

The PRESIDING OFFICER. Without objection, the amendment offered by the Senator from Arizona is agreed to.

Mr. HAYDEN. I offer a further amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 43, line 24, in the committee amendment, strike out "\$5,000" and insert in lieu thereof "\$6,500," so as to read:

For repair, improvement, replacement, or construction of additional public-school buildings within Indian reservations in Arizona, attended by children of the Indian Service, to be equipped and maintained by the State of Arizona, \$6,500.

Mr. HAYDEN. The object of the amendment is to complete the construction of a public schoolhouse on the Apache Indian Reservation. After the matter had been considered by the Senate Committee on Appropriations I received a letter from Mr. W. R. Ashurst, field man in the office of State superintendent of public instruction, directing attention to the fact that \$1,500 is needed to complete the construction of a schoolhouse at White River, on the Fort Apache Reservation, Ariz. I submitted the matter to the Indian Bureau and have a letter from the commissioner recommending the appropriation. I ask that the two letters may be incorporated in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters are as follows:

SUPERINTENDENT OF PUBLIC INSTRUCTION,
Phoenix, Ariz., December 15, 1930.

Senator CARL HAYDEN,
Senate Office Building, Washington, D. C.

DEAR SENATOR HAYDEN: I wrote you recently about our further needs for public schools on Indian reservations, but by some means

I overlooked our needs at White River, Navajo County, on the Apache Reservation. This is one of the largest schools of this nature in this State. We have three teachers and a prospect of children enough in another year to require four.

We need \$1,500 to complete this White River school building. If you can get this for us we will greatly appreciate it.

Thanking you for past courtesies and help, we remain,
Very truly yours,

W. R. ASHURST,
Field Man to C. O. Case.

UNITED STATES DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, January 3, 1931.

HON. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR: Receipt is acknowledged of your letter of December 23, inclosing one from Mr. W. R. Ashurst urging an additional \$1,500 to complete the public-school building at White River on the Fort Apache Reservation.

The amount of \$5,000 included in your amendment, which appears on page 43 of the Interior Department appropriation bill as reported to the Senate, does not contemplate the enlargement of the White River school but was included in the bill for the purpose of providing a school building at Peach Springs on the Wallapai Reservation at a cost of \$3,500 and the further expenditure of \$1,500 for additional facilities at Tuba City on the Western Navajo Reservation.

The school at Peach Springs appears to be more for the benefit of Indian children than children of white Indian Service employees. The director of education and other members of the education staff of the office expect to be in Arizona in January, and if their inquiry confirms the statement of the need for a public-school building at Peach Springs, \$3,500 of the \$5,000 contained in the amendment will be allotted for this purpose. It would, therefore, be necessary to increase the amount contained in the amendment from \$5,000 to \$6,500 to provide for the need at White River, and we will be glad to see the appropriation made.

Sincerely yours,

E. S. RHODES, Commissioner.

Mr. SMOOT. Mr. President, there is no estimate for this amount, and I therefore feel that I ought to interpose an objection to it.

Mr. HAYDEN. There was no estimate because we did not know about the need for it in time. It was only brought to our attention after the matter had been considered by the Senate Committee on Appropriations. The schoolhouse is partially completed and ought to be finished.

Mr. SMOOT. The Committee on Appropriations put an amendment on the bill providing for \$5,000. The item was not placed in the bill by the House at all. In the Senate hearings it was stated that that was the amount which would be required.

Mr. HAYDEN. The Senator is correct. That is all the information I had at that time. This letter from Mr. Ashurst came to me afterwards and I have submitted a reply from the Commissioner of Indian Affairs stating that the additional money is needed. We ought not to leave the schoolhouse partially constructed.

Mr. SMOOT. Very well; I will accept the amendment, but for the reason that it all goes to conference, the \$5,000 as well as the \$6,500. I shall interpose no objection to the amendment.

The PRESIDING OFFICER. Without objection, the vote agreeing to the amendment of the committee, on page 43, lines 20 to 24, will be reconsidered, and without objection, the amendment offered by the Senator from Arizona to the amendment of the committee is agreed to. Without objection, the amendment of the committee as amended is agreed to.

Mr. HAYDEN. I offer another amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 44, after line 12, it is proposed to insert the following as a new paragraph:

Fort Mohave, Ariz.: For 250 pupils, \$85,000; for pay of superintendent, drayage, and general repairs and improvements, \$25,000; for new buildings and equipment, \$100,000; in all, \$210,000.

Mr. SMOOT. Mr. President, I will have to make a point of order against that amendment.

Mr. HAYDEN. I must concede, Mr. President, that the point of order is well taken, because the item is not included in the Budget as recommended to Congress by the President. The situation, very briefly, is this: Two years ago the sum of \$99,400 was appropriated for this school,

Last year funds to operate and maintain the Fort Mohave Indian School were entirely omitted from the estimates, but there was finally carried in the Interior Department appropriation bill a continuation of the former appropriation for the present fiscal year. The officials of the Indian Service now assert that they can take care of the 250 Indian children in other schools at a saving to the Government, but I doubt whether there will be any real economy in abolishing the school and therefore deem it to be my duty to offer this amendment.

The PRESIDING OFFICER. The point of order is sustained.

Mr. HAYDEN. Mr. President—

Mr. WHEELER. Mr. President, I am going to suggest the absence of a quorum, because there are some Senators who are interested in this bill who, if they knew it was going to be taken up and discussed at this time, would want to be present, I am sure.

The PRESIDING OFFICER. Does the Senator from Arizona yield for that purpose?

Mr. HAYDEN. If the Senator from Montana will pardon me, I do not desire to yield for that purpose. I have no further amendments to offer, but I should like to discuss the bill for a time.

Mr. WHEELER. Very well.

Mr. BRATTON. Mr. President, will the Senator yield in order that I may propose an amendment about which I think there will be no controversy and I should like to have it disposed of now.

Mr. HAYDEN. I have no objection to the Senator from New Mexico offering his amendment.

Mr. BRATTON. Mr. President, the amendment which I have in mind is on page 36, line 23, to strike out the period, insert a comma and the words "to be immediately available." I will say to the Senator having the bill in charge that I have a letter from the Secretary of the Interior in which the adoption of the amendment is recommended.

Mr. SMOOT. I am perfectly aware of the position of the department, and I have no objection to the amendment.

Mr. BRATTON. Very well.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. HAYDEN. Mr. President, I invite the attention of the Senate to the appropriation, on page 84, of \$15,000,000 for continuing the construction of the Boulder Canyon project. I want it to be distinctly understood that if I could have my way about it not one dollar would be appropriated in this bill to build the Hoover Dam. The State of Arizona has challenged the constitutionality of the act of Congress which authorizes this appropriation, and I do not believe that any money should be expended until the Supreme Court has passed upon that fundamental question. However, that very issue was presented to the House of Representatives by the Congressman from Arizona [Mr. DOUGLAS], and the House has voted to retain the Hoover Dam appropriation in this bill, notwithstanding the existence of Arizona's suit in the Supreme Court.

It would be vain and fruitless for me to make a motion to strike out the entire appropriation even if I knew that there were votes enough in the Senate to secure its adoption, which I very well know there are not. The House having acted, the item is in the bill, and, backed as it is by all the power and influence of the President, will remain there and be a part of this proposed act of Congress whenever it shall become a law.

I did all that was within my power, even to the extent of engaging in what was called a filibuster, to prevent the passage of the Swing-Johnson bill, which authorizes this appropriation. At the last session of Congress I opposed the first appropriation to commence construction at Boulder Canyon until a motion for cloture was filed to force a vote in the Senate. I have not modified my opposition to the entire scheme in the slightest degree and never shall until full and complete justice shall be done to my State.

Mr. President, I am in receipt of a letter from the Secretary of the Interior calling my attention to a Budget esti-

mate upon which no action was taken by the House of Representatives. The letter reads as follows:

THE SECRETARY OF THE INTERIOR,
Washington, January 8, 1931.

HON. CARL HAYDEN,
United States Senate.

MY DEAR SENATOR HAYDEN: The department included in the draft of the 1932 appropriation bill now pending in the Senate an item of \$50,000 for investigations of the proposed Parker-Gila Valley project, such investigations being authorized by section 11 of the Boulder Canyon project act. This item was approved by the Budget and struck out in the House. The question of whether or not this investigation is to be made is a matter for the determination of Congress. I am calling your attention, however, to the department's action in this matter, in view of the complaint made during debate on the deficiency bill last spring to the effect that the department had failed to carry out the purpose of section 11.

Very truly yours,

RAY LYMAN WILBUR.

The Senators who were then present will remember that at the last session of Congress, when the original appropriation for commencing the construction of Boulder Dam was under consideration, I offered an amendment appropriating \$250,000 for investigation of the Parker-Gila project. The text of the amendment was:

For studies, surveys, investigations, and engineering to determine the lands in the State of Arizona that should be embraced within the Parker-Gila Valley reclamation project as authorized by section 11 of the Boulder Canyon project act, \$250,000.

The Department of the Interior submitted no estimate through the Budget for any money to make an investigation of that character. It was my complaint of that neglect to which the Secretary of the Interior refers in his letter to me. No action on the subject was taken by the House of Representatives. I offered the amendment, which was authorized by law, and it was adopted by the Senate. My reason for doing so, as stated at the time, was that if the Boulder Canyon project was undertaken there would be impounded a large quantity of water in the Colorado River, estimated to be an average of about ten and a half million acre-feet each year. Of that amount a large part would ultimately be appropriated for beneficial uses in the State of California, but there will be a substantial remainder which, if not used in the United States, would be used to irrigate lands in Mexico. I urged, in order that a way might be found to utilize the stored water of the Colorado River in our own country for the benefit of our own people, that this investigation be promptly undertaken. I want to direct attention to two tables, heretofore printed in the CONGRESSIONAL RECORD, which show the Arizona proposal with respect to a division of water and the historic basis upon which that division was arrived at.

The PRESIDING OFFICER. Without objection, the tables will be printed in the RECORD.

The tables referred to are as follows:

Based on 10,500,000 acre-feet of water of main stream after eliminating Gila and all other tributaries

	A-3	B-3—Next 1,000,000, divide 50-50	Surplus— Next 2,000,000, divide 50-50	Total
California.....	4,400,000	500,000	1,000,000	5,900,000
Arizona.....	2,800,000	500,000	1,000,000	4,300,000
Nevada.....	300,000			300,000
Total.....				10,500,000

Dividing Mexican burden 800,000 acre-feet between Arizona and California out of main stream

Leaves—	
California.....	5,500,000
Arizona.....	3,900,000
Nevada.....	300,000
Out of the main stream, Mexico.....	800,000
Total.....	10,500,000
Imperial Valley.....	4,000,000
Blythe, etc.....	400,000

Metropolitan District.....	1, 100, 000
Total	5, 500, 000
Imperial Valley now.....	2, 600, 000
New water.....	1, 400, 000
Total.....	4, 000, 000

1/26/30. J. M. R.—C. B. W.

(The above is a true copy of the "yellow slip" made at Reno, Nev., by Ward & Heffner.)

Proposal and findings of governors

Governor Young's proposals to Denver conference (August, 1927)	Findings of the upper basin governors (August, 1927)	The Boulder Canyon project act (December, 1928)	Arizona's present position
1. To Arizona, her tributaries, except such waters reaching the main stream.	Same.....	1. To Arizona the Gila River except such waters reaching the main stream.	To Arizona her tributaries, including the Gila, except such waters reaching the main stream.
2. To Nevada, 300,000 acre-feet of 3a water.	Same.....	Same.....	Same.
3. The balance of 3-a water; to Arizona 223,800 acre-feet perfected rights; to California 2,159,000 acre-feet perfected rights; balance divided equally between States, or Arizona, 2,637,400; California, 4,562,600.	Arizona, 3,000,000; California, 4,200,000.	Arizona, 2,800,000; California, 4,400,000.	Arizona, 2,800,000; California 4,400,000.
4. 3-b water in main stream divided equally between California and Arizona.	Given to Arizona to be supplied from tributaries.	Not mentioned....	Divided equally between California and Arizona.
5. Surplus water in main stream divided equally between California and Arizona.	Same.....	Same.....	Same.
6. Mexican burden not mentioned.	Same.....	One-half burden of lower basin to be borne by Arizona and one-half by California.	Same.
7. Limitation on Arizona's time to use water, 20 years.	No limitation.....	No limitation.....	No limitation.

NOTE.—The documents referred to are part of the record of the Denver proceedings, the Boulder Canyon project act, and the minimum Arizona requirements.

Mr. HAYDEN. It will be observed from the first table that the State of Arizona would obtain the right to use 3,900,000 acre-feet of water out of the main stream of the Colorado River upon lands within its borders.

My amendment for an appropriation of \$250,000 was adopted by the Senate; it went over to the House of Representatives, and was there rejected. I wish to read very briefly to the Senate the reasons given by Members of the House of Representatives for its rejection. Their statements appear in the hearings on the pending Interior Department appropriation bill on page 325. I read from the statement of Mr. CRAMTON, omitting the first part of it, because he was under the mistaken impression that the Interior Department had submitted a Budget estimate for an appropriation for an engineering investigation of the Parker-Gila project. Mr. CRAMTON said:

It was felt by our committee at that time, this expenditure being authorized only as a sort of effort to satisfy Arizona, to compensate them, that in the remote contingency that their litigation did result in the destruction of the Boulder Canyon project, the consideration for this compensation would have failed; and hence it would be time enough to make appropriations for the Parker-Gila project when Arizona ceased to contest in the courts, or the courts decided against her, and the building of Boulder Dam was a certainty.

Then Mr. TAYLOR, of Colorado, another member of the subcommittee, made this statement:

Mr. TAYLOR. Or, in lieu thereof, that the State of Arizona should come in and sign the 7-State compact and recognize the rights of the four upper States. If Arizona would do that officially, then the upper States would be perfectly safe in allowing that appropriation to go in; but that was the reason that I so vehemently objected to that provision being put in the second deficiency bill

in the last session of Congress, and the conference committee finally stood by me and struck it out of the bill.

I said it was an utter act of bad faith on their part while they were attacking the validity of the act itself, and trying to get an appropriation ahead of the four upper States for 600,000 acres of land out of the Colorado River, not out of the Gila; that it would come directly out of the 7,500,000 acre-feet of priority rights of the four upper States. I said that Senate amendment was the most outrageous exhibition of colossal nerve, brazen-faced effrontery, and monumental gall that I had ever seen in a piece of legislation.

Doctor MEAD. We will not argue that with you; but we would like those of you who are withholding their appropriation to get our hands out of the trap by amending this act, which requires the Secretary to report his findings, conclusions, and recommendations regarding such project to Congress not later than December 10, 1931.

In effect, the letter to me from the Secretary of the Interior of January 8, 1931, that I have read to the Senate asks me to get his department's hand out of this trap. I do not feel that I should be called upon to take that action. I can not do so, first, because the estimate of \$50,000 is wholly inadequate; \$250,000 a year would be a moderate sum to undertake an investigation of the possibilities of irrigating approximately 800,000 acres of land in Arizona with water from the Colorado River. It is my belief that a \$50,000 appropriation would result in a mere half-hearted and superficial study of the feasibility of this great Arizona project. My second objection is that if the interests of the United States are to be adequately protected against future appropriations of water by Mexico, this investigation must be made by a Secretary of the Interior and a commissioner of reclamation who are earnestly and sincerely seeking to find practicable means of utilizing all of the impounded waters of the Colorado River exclusively within the United States.

I would not say that any Member of Congress is so unpatriotic and un-American as actually to prefer to see lands brought under cultivation in a foreign country rather than to have the same area reclaimed in his own country to provide homes for people of his own race. Yet that is the effect of a denial of an appropriation to investigate the possibility of the use of water in Arizona, which is the only State in the Union where it can be utilized if the same water is not to be used in Mexico. The people of Arizona are bluntly told that they must go under the yoke; that they must do exactly what has been demanded of them by six States and the Federal Government or not a cent of money will be expended to determine what lands in their State can be irrigated with water from the Colorado River. Those who have refused to agree that Congress shall make such an appropriation know full well and beyond question that Mexico will be the sole beneficiary of their action; yet such is their unreasoning hostility to Arizona that they have insisted upon following that un-American course.

Arizona can make but one answer to such an argument, and that is what we said last year and what we repeat now. All those who feel that way about it can go to a place that is reputed to be perpetually hotter than this, and Arizona will rely upon the Supreme Court for her protection.

In order that the American people generally may know of the earnest effort, of the sincere effort, of the honest effort made by the State of Arizona to arrive at an equitable and just settlement of the Colorado River controversy, I ask leave to include in the RECORD the final report of the Arizona Colorado River Commission, submitted on December 31, 1930. I shall quote only a very brief extract from it, which, to my personal knowledge, is a statement of the truth, the whole truth, and nothing but the truth. I read:

It is impossible to overestimate the importance of Arizona's rights and interests in the Colorado River and its development. In the protection of those rights and interests we are forced to fight the tremendous wealth and political power of the great State of California which, for the present at least, enjoys the complete and unquestioning support of the national administration at Washington. Thus far our commission has seen no evidence that the administration is interested in the merits of our controversy with California, or is disposed to have the controversy settled by a just and equitable compact.

All that has come from the national administration by way of constructive suggestion is to be found in the reiterated thought of the honorable Secretary of the Interior, that in the development

of the Colorado River State lines should be obliterated and State rights ignored. Viewing the Colorado River Basin as a single economic unit, he criticizes attempts "to operate political units," or "determine the functions of States" therein, or "to distinguish between the activities of various branches of the National Government." In short, in approaching this great problem, the Secretary of the Interior appears to resent Arizona's insistence upon her rights as a member of the United States, and is not disturbed by Arizona's assertion that the judicial branch of our Government has regulatory powers over the executive branch.

I ask to have the entire report printed in the RECORD.

The PRESIDING OFFICER. Without objection, that will be done.

The report is as follows:

FINAL REPORT OF COLORADO RIVER COMMISSION OF ARIZONA,
FEBRUARY 5, 1929-DECEMBER 31, 1930
ORGANIZATION OF COMMISSION

The present Colorado River Commission of Arizona was created under and by authority of chapter 3, Laws of Arizona, 1929, adopted February 4, 1929. This law reduced the number of commissioners from eight to four; the governor was made an ex officio member thereof, and three commissioners to be appointed. The commissioners appointed were Charles B. Ward, John M. Ross, and A. H. Favour. These commissioners qualified and organized on February 5, 1929, Commissioner Ward being elected chairman and Commissioner Ross as secretary.

The commission first conferred with the members and advisors of its predecessor commission in order to become fully informed as to what had gone before and as to the views and recommendations of those commissioners and advisors.

EFFORTS TO COMPACT

The first duty imposed upon the commission by chapter 3, Laws of 1929, was to enter into negotiations with the other Colorado River States with a view to effecting an amicable and equitable agreement, settling the Colorado River dispute. With this object in view, the commission did confer with the official representatives of the other States interested in the Colorado River, and the representative of the United States Government, Col. William J. Donovan, at meetings which were held during the year 1929 as follows: At Santa Fe, N. Mex., from February 14 to March 8; at Los Angeles from March 18 to 20; at Los Angeles from April 4 to 7; at Yuma, Ariz., from April 20 to 21; at Washington, D. C., from May 31 to June 27; at Salt Lake City, Utah, from August 26 to 31; at Los Angeles from September 29 to October 3; and during the year 1930 at Reno, Nev., from January 18 to 29; at Phoenix from February 6 to 9; and Los Angeles from March 8 to 10. Individual members or the entire commission made other trips to Yuma and Kingman and other cities of this State, and to Los Angeles and Denver in attending to river matters.

The conferences were attended by the official representatives of the lower basin States, and representatives of the upper basin States attending from time to time as unofficial observers. The United States representative was Col. William J. Donovan who acted as chairman during the entire period. In these several conferences our commission endeavored to arrive at an equitable agreement, settling the questions of water, power, and revenue involved in the Colorado River problem, but these efforts were entirely unsuccessful.

In the matter of water division our commission took as the foundation of its efforts the upper basin governors' findings at the conference of the seven Colorado River States at Denver, Colo., in 1927. At that conference the upper basin governors had arrived at what they considered to be a fair division of the water. This had been accepted, in principle, by Arizona, but California had refused to accept it.

CALIFORNIA WATER DEMANDS

At that conference California's minimum demands had been specifically stated in her behalf by her governor, Hon. C. C. Young, to be 4,600,000 acre-feet of the apportioned water. It quickly developed in our conferences that California had greatly increased her water demand above that so stated by Governor Young and insisted that she must have a minimum of 5,800,000 acre-feet of apportioned water. Based on a demand of California for 4,600,000 acre-feet of the water apportioned to the lower basin States by the Santa Fe compact, Arizona would receive 3,600,000 acre-feet of apportioned water. The increased amount that California demanded at our conferences, if accepted, would have reduced Arizona's apportionment to a point which would not permit any considerable new irrigation development in Arizona from the Colorado River. This departure of California from her position as stated by Governor Young in 1927, and her insistence upon this increased and impossible allowance of water, was the particular obstacle that made it wholly impossible for this commission to reach a settlement by agreement.

In our numerous conferences it became apparent that California's increased water demand had been brought about by the ambitious desires of the Imperial and Coachella Valleys, which, in the intervening time, had come to the conclusion that they required much more water than appeared necessary in 1927 for their large development program in these two valleys. If California succeeds in taking the water which they now plan to divert through the proposed all-American canal, the great Parker-Gila project in Arizona will be put on the shelf for all time, a project involving an irrigated development at least double the area embraced by the Salt River Valley project.

ARIZONA'S POSITION IN WATER

Throughout the conferences we stated Arizona would be willing to compromise and settle the existing differences on the following fundamental principles, namely:

That the water division should be confined to waters physically present in the main stream of the Colorado River; that Arizona should be entitled to the waters of her tributary streams; that the waters of the Gila should be in no way involved in any water division, but should belong wholly to Arizona; that the water intended to be apportioned to the lower basin by the Santa Fe compact should be divided in this manner: 3,500,000 acre-feet to Arizona, 4,700,000 acre-feet to California, and 300,000 acre-feet to Nevada, and the surplus water to be divided equally between Arizona and California; that any Mexican burden resting upon the lower basin should be shared equally by Arizona and California from main-stream waters, and that the all-American canal, if constructed, should not carry any water to or for the use of lands outside of the United States.

The provision concerning the all-American canal was insisted upon to protect the Yuma project against the announced plan of the Imperial and Coachella Valleys to divert the Mexican water through the canal, appropriating to themselves the hydroelectric value of these waters to the exclusion of the Yuma project which has prior rights and equities therein.

California either denied the justice of these several demands in toto, or qualified them to such an extent that it was quite impossible for Arizona even to approach an understanding. Our conferences finally resulted in a complete failure to arrive at any settlement of our differences.

ARIZONA'S REVENUE REQUIREMENTS

While our commission always regarded the matter of water division to be the subject of primary importance, considerable time of our conferences was devoted to the discussion of the division of the benefits to be derived from the storage and sale of water, and from hydroelectric power developed by any project within or on the border of Arizona. Arizona was willing to enter into a compact covering all these benefits based on the authority provided therefore in the Boulder Canyon project act, it being specifically provided in section 8 (b) of the act that the States might enter into a compact for the equitable division of the benefits, including power arising from the use of water accruing to said States from the Colorado River. From the beginning, California took the position and maintained throughout that these were not proper matters for compact, but must be left entirely to the discretion of the Secretary of the Interior, which position Arizona could not possibly concede.

Arizona's position in regard to revenue benefits was based upon the principle that the proposed Boulder Canyon project was within and on the border of the State of Arizona, taking and using the natural resources of the State, and that the State was entitled to a revenue therefrom, especially since the project is designed chiefly to benefit Los Angeles and the surrounding cities and lands situated outside of the State of Arizona.

The principles upon which our commission was willing to compromise and settle the differences on the power and revenue questions were: That the Boulder Canyon project should be operated on the basis of competitive prices so as to provide the greatest practicable returns for division between Arizona and Nevada; that a minimum charge of \$2 per acre-foot should be made by the project for the storage and delivery of water intended to be diverted to the coastal plain of southern California; that after the repayment of Government advances Arizona's and Nevada's full revenue rights in the project should be recognized and that a reasonable allotment of electric energy should be made and assured to Arizona and Nevada.

However, in the discussion of the power question, we never got beyond the initial and fundamental difference above mentioned, namely, that California consistently denied Arizona's right to compact concerning those matters and insisted that they should be left to the discretion and judgment of the Secretary of the Interior, which Arizona was unwilling to concede.

Your commission conscientiously and earnestly endeavored to settle the differences between California and Arizona by compromise, viewing this question from the standpoint of the rights of the State, and we feel that if the commissioners of our sister States had been representing the interests of the State of California rather than sectional and local interests therein all questions at issue would have been adjusted by interstate compact.

ADVISORS AND COMMISSIONERS

Our conferences were cordial and pleasant, and, while we were unable to arrive at an agreement, we concluded our conferences with feelings of respect for all of the representatives of our sister States and were convinced that, although we could not agree with the California commissioners, they had conscientiously maintained what they believed to be within the rights and for the best interests of the State which they represented.

Your commission desires to express its appreciation of the advice and counsel given to us in our various conferences by the official representatives of the upper basin States, Hon. John A. Whiting, representative of Wyoming; Hon. Delph E. Carpenter, representative of Colorado; Hon. W. W. Ray and Hon. William R. Wallace, representatives of Utah; Hon. Francis C. Wilson, representative of New Mexico; Mr. Thomas F. Cole, advisor of Nevada; and Hon. L. Ward Bannister, who attended the conferences in behalf of the city of Denver.

Your commission particularly wishes to express its deep appreciation of the able and unselfish services rendered at these conferences by Col. William J. Donovan, the Federal representative. His fairness and diplomacy as chairman of the conferences were of the highest order.

The conference at Reno, Nev., in January, 1930, was held at the particular request of the Secretary of the Interior, and Hon. CARL HAYDEN, our junior United States Senator, attended that conference at the request of our governor to act as special advisor to our commission. Although burdened with the duties of a congressional session at Washington, Senator HAYDEN arranged for an absence, came to Nevada, and advised us during the entire period of that conference and later attended the adjourned session at Phoenix, all continuing through a period of almost a month. His attendance and participation were of the greatest possible assistance to us. In a like manner and under the same circumstances the conference had the benefit of the presence of Senator KEY PITTMAN, of Nevada, who acted as special advisor for that State.

In connection with the technical phases of the problems under consideration our commission employed Mr. C. C. Cragin, an outstanding hydroelectric engineer, who is competent and well qualified, and whose services were invaluable in the negotiations carried on by your commission.

Also from time to time your commission enjoyed the benefits of the valuable counsel and assistance of Clifton Mathews, Esq., John L. Gust, Esq., Mr. A. M. Crawford, Mr. F. A. Reid, and Mr. R. E. Tally, all of whom acted in that behalf without compensation. The commission at all times has enjoyed the complete cooperation and assistance of Hon. K. Berry Peterson, attorney general of Arizona, who personally attended the principal conferences and many of our meetings and freely contributed his time and energy to the work under consideration.

LEGAL ASPECTS

The act under which the commission was appointed authorized your commission to undertake such legal proceedings as might be necessary to protect the rights of the State of Arizona. Pursuant to this authority, and when it became apparent that settlement by agreement was improbable, your commission, with the attorney general's authority and approval, and after careful consideration and competent advice, in May, 1929, employed John P. Gray, Esq., of Coeur d'Alene, Idaho, one of the outstanding lawyers of this country, living in the West, to act as special legal advisor, being designated as special assistant to the attorney general.

In the same connection and for the same purpose, your commission was fortunate in being able to secure the services of Clifton Mathews, Esq., of Globe, Ariz., who had been employed by our predecessor commission as special legal advisor. Messrs. Gray and Mathews, in association with the attorney general, immediately entered upon a painstaking and careful study of all the legal questions involved, preparatory to the institution of legal proceedings if that should become necessary.

Thereafter, while on a trip to Arizona at the request of this commission, Mr. Gray contracted a serious illness from which he has not yet recovered. It was with deep regret that, because of that illness, we were obliged to release him from his employment. We feel that Arizona is under great obligation to Mr. Gray because of his thorough study of the questions involved, his fair dealings, his generous attitude in the matter of his employment, and for the able assistance which he rendered during the period thereof. After Mr. Gray's retirement the work was carried on by the attorney general and Mr. Mathews until the summer of 1930. At that time, with the authority and approval of the attorney general, your commission employed the very able law firm of Covington, Burling & Rublee, of Washington, D. C., and particularly Dean Acheson, Esq., a member of that firm, to act with the attorney general and Mr. Mathews in representing the interest of Arizona.

FIGHT AGAINST CONGRESSIONAL APPROPRIATION

In May, 1930, the United States Congress had under consideration the request of the Secretary of the Interior for an initial appropriation for the Boulder Dam project. Your commission was then requested by Senators HENRY F. ASHURST and CARL HAYDEN and Congressman LEWIS W. DOUGLAS to come to Washington to assist them in opposing that appropriation. Such an appropriation, if made, would be the first step toward rendering the Boulder Canyon project act effective as an invasion of the rights of Arizona in the Colorado River.

Pursuant to that request, this commission, with its engineering expert, Mr. C. C. Cragin, went to Washington, D. C. The chief fight came before the House Committee on Appropriations. Congressman LEWIS W. DOUGLAS led the opposition. He had prepared his case well, and ably presented it. It was not until the entire force of the administration was brought to bear that the committee, by a narrow margin, recommended the appropriation. Our fight was then transferred to the Senate, where in spite of the vigorous protests of Arizona's Senators the appropriation was approved.

Thereupon your commission, with the approval and authority of the attorney general, employed counsel to appear before the Comptroller General of the United States in opposition of the expenditure of moneys pursuant to the appropriation. The Comptroller General ruled against us and it then became necessary for Arizona to institute legal proceedings for which preparation had already been made.

ACTION IN SUPREME COURT

Accordingly, on October 6, 1930, the attorney general with his special assistants, applied to the Supreme Court of the United States for leave to file an original bill, wherein the State of Arizona was complainant and the States of California, Utah, Nevada, New Mexico, Colorado, Wyoming, and the Secretary of the Interior were defendants. That permission was thereafter granted and the defendants are now required to appear and answer the bill by January 12, 1931. In this bill in substance the State of Arizona asks that the Boulder Canyon project act be declared unconstitutional and also that the Santa Fe compact be declared unenforceable against the State of Arizona.

RECOMMENDATIONS

It is impossible to overestimate the importance of Arizona's rights and interests in the Colorado River and its development. In the protection of those rights and interests, we are forced to fight the tremendous wealth and political power of the great State of California which, for the present at least, enjoys the complete and unquestioning support of the national administration at Washington. Thus far our commission has seen no evidence that the administration is interested in the merits of our controversy with California, or is disposed to have the controversy settled by a just and equitable compact.

All that has come from the national administration by way of constructive suggestion is to be found in the reiterated thought of the honorable Secretary of the Interior, that in the development of the Colorado River State lines should be obliterated and State rights ignored. Viewing the Colorado River Basin as a single economic unit, he criticizes attempts "to operate political units," or "determine the functions of States" therein, or "to distinguish between the activities of various branches of the National Government." In short, in approaching this great problem, the Secretary of the Interior appears to resent Arizona's insistence upon her rights as a member of the United States and is not disturbed by Arizona's assertion that the judicial branch of our Government has regulatory powers over the executive branch.

Faced as we are by this fight against such powerful opposition, it is gratifying to note that the public press of our country, in spite of California's prodigal and persistent propaganda, is beginning to see the Boulder Canyon project in its true light as a gratuitous Federal subsidy for the sole development of southern California; as an attempt, under the pretense of improving navigation of a nonnavigable stream, to authorize California to divert substantially all of the available water of that stream for use outside its natural drainage basin; as a national expenditure for the sole purpose of transferring to one State the beneficial use of the greatest natural resource of a sister State; as an edict from Washington that Arizona's arid acres, irrigable from the Colorado River, shall forever remain desert in order that less valuable acres in Imperial and Coachella Valleys may be made fruitful.

Up to this time your commission and its legal advisers have deemed it necessary only to attack the constitutionality of the Boulder Canyon project act and the validity of the Santa Fe compact. Beyond that we have not yet felt required to litigate. We are hopeful that the outcome of the present suit may render further litigation unnecessary.

However, there are several other major litigations which, in the course of time, soon or late, Arizona may be required to undertake, especially with regard to the use and division of water from the stream, and the respective rights of the several States therein. It is of the highest importance to every citizen of Arizona that the State shall provide the proper machinery and the necessary funds for the full protection and defense of Arizona's vast stake in Colorado River development.

Your commission feels that the law under which it has been acting is a practical measure and that Arizona's rights in the river would be looked after by the continuation of a Colorado River commission acting along the lines and with the powers and duties of the present one.

APPROPRIATION REQUIRED

Your commission recommends that the litigation undertaken be vigorously prosecuted and that the new commission and the attorney general be supplied with ample funds with which to prepare and prosecute the pending action and any other that may be deemed advisable to be undertaken. At this time we advise that an appropriation for this purpose be made in the amount of \$250,000.

Governor Hunt and a new commission will carry on this important work after January 5, 1931, as on that day the office of the present commission expires by mandate of the law. We shall, however, hold ourselves ready to assist the new commission in this work and give the new commissioners the benefit of any information we may have obtained should we be called upon.

FINANCES

Funds available to commission:

When your commission took office there was available the balance of the appropriation made by chapter 37, Laws of 1927.....	\$16,367.63
Less claims unpaid of.....	3,370.30
From chapter 37, Laws of 1927, received by present commission, net.....	12,997.38
From chapter 104, subdivision 70, Laws of 1929.....	50,000.00
Total funds received.....	62,997.33

Funds disbursed by commission:

Legal expense—		
Attorneys' fees	\$30,000.00	
Attorneys' travel, hotel and miscellaneous	3,963.18	
Stenographer for attorney general	650.00	
		\$34,613.18
Engineering expense—		
Engineers' services	8,516.00	
Engineers' travel, hotel and miscellaneous	1,148.04	
		9,664.04
Advisors' travel and hotel		549.75
Telephone, telegraph, printing, supplies, postage, and sundries		1,867.05
Stenographers for commission		456.24
Commissioners' travel, hotel, and expense of meetings and conferences		7,211.54
Claims outstanding, estimated		250.00
Total funds disbursed		54,611.80
RECAPITULATION		
Total funds received	62,997.33	
Total funds expended	54,611.80	
Balance in river fund	8,385.53	
Respectfully submitted.		

CHARLES B. WARD,
JOHN M. ROSS,
A. H. FAVOUR,
Commissioners.

Dated December 31, 1930.

Mr. HAYDEN. Mr. President, that brings me to a consideration of the fact that the administration, having indorsed the construction of the Hoover Dam and having used all of its influence to bring about the building of that great structure and the power plants that go along with it, must assume responsibility for what will happen after the project is completed.

I desire to direct the attention of the Senate very briefly to the report made by the senior Senator from California [Mr. JOHNSON] when the Swing-Johnson bill was before the Senate, which contains this statement:

It is extremely doubtful if there is sufficient water in the river for all land susceptible of irrigation, including lands in Mexico. Because of physical conditions, Mexico, under present arrangements, can develop much more rapidly in the future than can the lands in the United States. Its lands are near the river and irrigation work is inexpensive.

If Mexico obtains water for its full development, it seems almost certain that a somewhat similar area in the Colorado River Basin in the United States, that otherwise would be reclaimed, will forever remain a desert.

That same doubt and warning is repeated in the findings of a report made upon the Colorado River Boulder Dam project which appears in House Document No. 446, Seventieth Congress, second session, by board of engineers consisting of Maj. Gen. William L. Sibert, chairman, Charles P. Berkey, Daniel W. Mead, Warren J. Mead, and Robert Ridgway, which reads as follows:

While much land has already been brought under irrigation on the Colorado River delta in Mexico, it is evident that such development has been retarded by the lack of water available from the river during low-water periods. The storage of flood waters in the Black Canyon Reservoir and its release during low-water seasons will make more water available in Mexico and will invite immediate expansion in irrigated acreage in that country. With the limited water supply available from the Colorado River, every acre permanently irrigated in Mexico will mean that an acre in the United States can not be irrigated. Such a limitation on lands would result in a corresponding limitation on possible income. It is the opinion of the board that it is of much economic importance in this project that an agreement limiting the amount of water assignable to Mexico should be made prior to the completion of the Boulder Canyon project.

Pursuant to an act of Congress approved March 3, 1927, there was appointed a commission to undertake the negotiation of a treaty with Mexico for an equitable apportionment of the waters of the Rio Grande, the Colorado, and the Tia Juana Rivers. The report of that commission, dated March 22, 1930, has recently been published in a large volume. We find that the American commissioners—Dr. Elwood Mead, Commissioner of Reclamation; Gen. Lansing H. Beach; and Mr. W. E. Anderson, of Texas—endeavored in every manner possible to make a treaty with Mexico, but without result.

The Mexican commissioners, whose demands appear in this report, asked for 3,600,000 acre-feet of water out of the Colorado River. They are now using about 600,000 acre-feet out of the natural flow of that stream. They ask for 3,000,000 acre-feet in addition, which can only come from the flood waters impounded by the Hoover Dam. They ask for this water as a matter of right. They make no proposal of any kind to pay for the storage of this water. If the Mexican demand is granted, not another acre of land in the State of Arizona can be irrigated out of the Colorado River.

To show the nature of these international negotiations, I ask leave to include in the RECORD at the end of my remarks the various proposals and counterproposals made by the American and Mexican sections of the commission, together with a very interesting summary of the interpretations of the various treaties between the United States and Mexico prepared by an engineer of the commission, Mr. Karl F. Keeler.

The PRESIDING OFFICER. Without objection, that will be done.

(See Exhibit A.)

Mr. HAYDEN. The commission which made this report has ceased to exist. Its functions have been taken over by Mr. L. M. Lawson, the commissioner appointed by the United States to adjust certain land disputes with Mexico. The President sent to the Senate, on January 9, a message approving a request made by the Secretary of State for an appropriation of \$287,000 to continue the work of negotiations with Mexico. Accompanying that message is a letter from the Secretary of State justifying the appropriation. I ask that the letter also be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, that will be done.

(See Exhibit B.)

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] referred very briefly to an editorial which appeared this morning in the Washington Post, and, in answer to the legal arguments contained therein, asked to have included in the RECORD an opinion by Judson Harmon, former Attorney General of the United States. The only comment that I care to make is that the editorial is based upon the theory that riparian rights exist both in Mexico and in the United States on the Colorado River. Such is not the fact. The constitution of the State of Arizona provides that—

The common-law doctrine of riparian water rights shall not obtain or be of any force or effect in the State.

The utter abolition of the doctrine of riparian rights is a principle of law that Arizona obtained from Mexico, and Mexico from Spain, and the Spaniards from the Moors. The doctrine of appropriation to beneficial use, that the first in use shall be first in right, is completely at variance with the principle of riparian rights, which is not in force upon the Colorado River, either in Arizona or in Mexico. It is the desire of both countries not to maintain the flow of the stream to the sea but to dry it up by diverting its flow for irrigation.

The commission to whom I have referred, consisting of Doctor Mead, General Beach, and Mr. Anderson, concluded their report—which was transmitted to Congress on April 21, 1930—with this recommendation of suggested action:

It is already apparent that the needs in the United States for Colorado River waters are destined to be much greater than has been realized in the past, and probably greater than can be fully estimated or appreciated at present. Stability in development and peaceful relations on both sides of the boundary require further efforts to reach an agreement as to policies and as to the limits which will govern the recognition of rights to water across the boundary.

In the absence of any agreement as to principle governing the division of water across the international boundary, it is believed that the position which the United States holds with regard to such division, and the recognition of rights in either country to water across the boundary, should be officially stated and notice given to Mexico through the appropriate channel. The interests of both countries will be served by an early agreement as to the extent to which existing uses of water on both the Rio Grande and Colorado on both sides of the international boundary are to be recognized, but in the absence of such agreement it is believed

that the United States should give notice to Mexico that no rights to water in the Colorado based on future development and extension of existing uses will be recognized until an agreement covering all three streams has been reached.

That commission, after studying the controversy with Mexico intensively and with diligence, arrived at the same conclusion that the people in Arizona have maintained for a number of years. In proof of that I ask to have included in the RECORD a memorial unanimously adopted by the Seventh Legislature of the State of Arizona in 1925, requesting that similar action be taken.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

Senate Joint Memorial 3

To His Excellency the President of the United States; to the honorable Secretary of State; and to the Senate and House of Representatives of the Congress of the United States:

Whereas a portion of the low-water flow of the Colorado River is now being put to use in the irrigation of lands in the Republic of Mexico, and there are large additional areas, variously estimated both as to extent and as to feasibility, which might be reclaimed through the use of the waters of the Colorado in the event that its flood waters were impounded and its floods thereby controlled; and

Whereas it is essential to the preservation and protection of American homes, American property, and American lives that such flood waters be impounded and its floods controlled, without unnecessary delay; and

Whereas in the event that such waters, or any portion of them, which may hereafter be impounded on American soil by reason of such impounding may temporarily pass into the Republic of Mexico in a more or less regulated flow, should be applied to a beneficial use on Mexican lands there might arise, in the absence of a definite declaration of policy with respect thereto, on the part of the United States, a certain moral claim to their continued use, and, as a matter of international comity, a recognition of such claim might seriously be considered; and

Whereas it appears from authentic information and data that there is a sufficient amount of arid land within the United States susceptible of practical reclamation by means of the waters of the Colorado to utilize all of the waters of said river; and

Whereas to deprive these lands of such waters would be manifestly an act of injustice to the people of the United States, and particularly to the citizens of the States of the Colorado River Basin, and would constitute an irreparable economic loss to this country:

Wherefore your memorialist, the Seventh Legislature of the State of Arizona, prays that by appropriate legislative action on the part of the Congress of the United States, to be taken prior to or in connection with the enactment of any legislation providing for the development of the Colorado River, the policy and purpose of the United States be announced and declared of reserving for use within the boundaries of the United States of all waters of the Colorado River which may be stored or impounded within the United States, to the end that the Republic of Mexico, its citizens, and the owners of Mexican lands may have direct and timely notice and warning that the use by them of any of such waters as may temporarily flow into Mexico shall establish no right, legal or moral, to their continued use; and

Your memorialist further prays that in any treaty, convention, or understanding between the United States of America and the Republic of Mexico which may hereafter be agreed upon or undertaken, said policy be strictly and steadfastly adhered to.

And your memorialist will ever pray.

Mr. HAYDEN. I also ask leave to print extracts from a minority report which I submitted to the House of Representatives on the Swing-Johnson bill, H. R. 9826, on January 12, 1927.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

In the absence of a treaty providing for an equitable apportionment of the waters of the Colorado River between the United States of America and the United States of Mexico the construction of a dam to completely control the floods of that stream, as proposed by this bill, will, by equating its flow, assure a supply of water sufficient to irrigate approximately 1,000,000 acres in that Republic without any obligation upon the part of the owners of Mexican lands to pay for that huge benefit. The right to this water when once acquired by beneficial use in Mexico will completely exhaust the available water in the Colorado River, so that 1,000,000 acres of land which could otherwise be irrigated in Arizona must remain in the desert forever.

The 1,000,000 acres in Mexico to be furnished water without cost, if this bill is enacted, will in the near future, with cheap labor, produce large crops of cotton and other agricultural commodities to be marketed in the United States in competition with the products of American farms. It is admitted that the equivalent area in Arizona can not be successfully reclaimed from the desert until the increase in population of the United States and

higher prices for agricultural products creates a demand for more homes and farms. That time may not soon arrive, but Arizona as a State and the United States as a Nation should now safeguard the future rather than permit a foreign country to reap incalculable and permanent benefits from funds contributed by American taxpayers.

Mr. HAYDEN. I appeared before the Committee on Rules of the House of Representatives when a special rule was sought to bring the Swing-Johnson bill up for consideration, and again urged that notice be given to Mexico before construction was started on the Boulder Canyon project. I ask leave to have included in the RECORD an extract from my remarks.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

IRRIGATED LANDS IN TEXAS

I want to speak frankly to the committee about one phase of the international situation which is at least peculiar. There are certain persons, residents of the State of Texas, urging the passage of this bill for the reason that they believe that impounding the waters of the Colorado River at Boulder Canyon will in some way benefit them by obtaining additional water from Mexico on the lower Rio Grande. All of the watershed of the Colorado River is within the United States, but some of the water is used for irrigation in Mexico. On the lower Rio Grande the water supply comes from Mexican tributaries of that stream and is used to irrigate land in the United States. The people living in the delta of the Rio Grande in Texas with whom I have talked desire certainty as to their water supply. That certainty can only be obtained by treaty with Mexico. Some of them have been led to believe that they can get the benefits of a more favorable treaty if the Boulder Canyon Dam is built.

It is my contention that the construction of the Boulder Canyon Dam as provided in this bill will delay the time when any treaty relating to the boundary waters can be made with Mexico. Without notice of the intention of the United States to use the waters of the Colorado River, the Mexicans have everything to gain by putting water on as much of their land as they can. Therefore they will delay making any kind of a treaty until all of the land in Lower California is under cultivation.

With a notice to Mexico, the burden is promptly transferred to that Republic to make a treaty. Such notice will do more than anything else to bring about a treaty. Nothing is to be gained for anyone in Texas by the passage of this bill in its present form. Upon the contrary, its enactment will positively injure them. This bill should therefore be amended in the following manner:

"That until such time as a treaty between the United States of America and the United States of Mexico providing for an equitable apportionment of the waters of the Colorado River is ratified by the Governments of both Nations, it is hereby declared to be the policy and purpose of the Government of the United States of America to reserve for use within the boundaries of the United States of America all waters of the Colorado River which may be stored or impounded therein, to the end that the Government of the United States of Mexico, the citizens of that Republic, and the owners of Mexican lands may have direct and timely notice and warning that the use by them of any such waters as may temporarily flow into Mexico shall establish no right, legal or moral, to the continued use of such waters."

Mr. HAYDEN. This subject is familiar to the President of the United States, who, in his official capacity, would be the one to give the required notice to Mexico. As Secretary of Commerce, Mr. Hoover appeared before the Senate Committee on Irrigation and Reclamation in December, 1925, I ask to have included in the RECORD some questions propounded to him by the Senator from Washington [Mr. JONES] and his replies thereto.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

Senator JONES of Washington. It is urged that if the Boulder Dam is constructed, the amount of water that will be stored will be far greater than will be used for reclamation purposes and power purposes for quite a good while, and that necessarily a great deal of it will go down into Mexico. And it is suggested that if it goes down into Mexico it will be put to beneficial use by our southern neighbor, and that lands down there will be reclaimed and very likely in the future, when the matter comes up, we will have to recognize the rights of Mexico and thereby lose that amount of possible reclamation in this country.

Secretary HOOPER. I think the answer to that question is that any dams erected on the Colorado River will have the same effect so far as stabilizing the flow of water into Mexico is concerned; that this particular dam does not necessarily increase that flow over and above that of any other engineering scheme on this river. All plans are predicated on the proposition of storing the spring flood to be used in the summer, and thus stabilizing the flow of the water. I do not think that this particular plan of construc-

tion would lend itself to Mexican supply any more than any other plan.

Senator JONES of Washington. And some engineers, I think, urge very strongly the other way. Of course, I am not prepared to pass upon it. It does look to me like, however, that if you store 20,000,000 or 30,000,000 acre-feet of water in that dam—and, as I understand it, there is no other proposed dam in this plan of Mr. La Rue's that stores anything like that quantity—that if this amount is stored it is not likely to be used for quite a good many years for reclamation purposes in this country and that it will go on down into Mexico.

Secretary Hoover. That proceeds on the hypothesis that in the treatment of Mexico for many years to come before we use most of the water it would be better to allow the flood flow to go down to Mexico, and thus deprive Mexico of any water in the dry seasons. I think if we stabilize the river at all it will be likely to increase the flow into Mexico during the low-water season.

If we wanted to prevent the irrigation of lands in Mexico by way of holding up the flow in the low-water season—that is, if we wanted to deliberately do that—you could do it more effectively at Boulder Dam than anywhere else, because you have a larger body of water to deal with. In a large reservoir like this we could hold back water during the summer and let it down in the winter, when they could not use it; that is, if we wanted to be malevolent.

Mr. HAYDEN. Secretary Hoover made this very significant statement:

If we stabilize the river at all, it will be likely to increase the flow into Mexico during the low-water season.

And then he said:

In a large reservoir like this we could hold back water during the summer and let it down in the winter, when they could not use it; that is, if we wanted to be malevolent.

But under the contracts that have been made by the Secretary of the Interior with the city of Los Angeles, the Southern California Edison Co., and other users of power in California we could not be malevolent, even if we wanted to, because the United States Government is bound to let water out of the Hoover Dam every day in the year in order to produce firm power which the Government by contract is obligated to deliver. Therefore the water must continuously flow from the dam. If use is not made of it in the United States, it will flow on into Mexico.

The use of Colorado River water in Mexico has been discussed before both the House and Senate Committees on Irrigation and Reclamation. I think one of the most intelligent witnesses who appeared before the House committee—the one, at least, who was most familiar with conditions in Mexico—was Mr. Harry Chandler, of Los Angeles, Calif. I ask leave to include in the RECORD some of the questions that I asked Mr. Chandler on April 25, 1924, and his replies thereto.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

TESTIMONY OF MR. HARRY CHANDLER, OF LOS ANGELES, CALIF.

Mr. CHANDLER. . . . As a matter of fact, as owners of lands in Mexico irrigable from the river, we have never lost any sleep through fear of a possible water shortage for our lands, because our observations, covering a period of more than 20 years, have brought us to believe that with an equated flow of the river, no flood water being permitted to run to waste, there will be more than an ample supply for all irrigable lands appurtenant to the river on both sides of the international line.

Mr. HAYDEN. You state that as the owner of lands in Mexico irrigable from the Colorado River, you have never lost any sleep through fear of a possible water shortage.

There is testimony before this committee, based upon the result of the studies made by the Geological Survey of the flow of the river, and as a result of the studies made by the engineers of the Reclamation Service, it is probably possible to find wholly within the United States enough land to utilize the entire flow of the Colorado River. If that were done, would it leave your land in Mexico short of water?

Mr. CHANDLER. We have observed the flow carefully and compiled some data from time to time on the flow of the river; and, while I could not mathematically prove of course—as I do not think anybody could—that there is a sufficient supply of water for all time, I and my associates together have believed since we have made our measurements and observed the uses of water, as we have had an opportunity to do in southern California for forty-odd years, that with the increased area irrigated there will be return flow enough to probably more than supply all irrigable

land there is, both in Mexico and in the United States, that is appurtenant to and properly irrigable from the river.

Mr. HAYDEN. Then do I understand that you might be willing to satisfy whatever claims you have to water in Mexico from the return waters, leaving the Federal Government and the States of the Colorado River Basin to make such developments as they see fit within the basin?

Mr. CHANDLER. I have no authority, of course, to personally speak for Mexico, which would have the first and vital interest. But as far as my own personal interest goes, and having had the opportunity to observe the irrigated country and the return flow of the water that always develops, I would not have a particle of fear but what, if there was no water wasted in the Colorado River during flood periods by going into the ocean—if there were dams enough to hold back all the floods, and no water was taken out of the Colorado River watershed through the mountains and to some other watershed, I would not fear a particle any shortage of the water in the future.

Mr. HAYDEN. The desires of your company should have great weight with the Mexican authorities. If you should insist that there be some provision in any treaty for a definite amount of water for your Mexican lands, which must come down to them regardless of uses in the United States, or if you adopted the view that you were not interested because you were satisfied that the return flow would always provide an adequate supply of water, would not that probably have considerable influence with the Mexican authorities in negotiating a treaty with the United States?

Mr. CHANDLER. I presume it would; yes, sir.

Mr. HAYDEN. So far as you are concerned, you are perfectly willing that no provision be made for any reservation of any water for your Mexican lands in any treaty between the United States and Mexico?

Mr. CHANDLER. Yes, sir. I have said that a good many times—provided no flood water is wasted into the gulf and no water is diverted into any other watersheds outside of the Colorado River Basin.

Mr. HAYDEN. The possibility of diversion outside of the watershed of the Colorado River has been very carefully studied. The Reclamation Service estimates that not more than 444,000 acre-feet, out of a total flow of the Colorado River averaging over 16,000,000 acre-feet, could possibly be diverted at any reasonable economic cost. The physical facts make the conditions such that there can not be any great diversion out of the Colorado River Basin.

If complete storage of the waters of the Colorado River is made at American expense for the purpose of irrigating lands in the United States, and land can be found in the United States where the entire flow might be originally utilized, is it your belief that there will be enough return water from the American lands to take care of the lands that you have in Mexico?

Mr. CHANDLER. Yes, sir.

Mr. HAYDEN. Therefore you are not concerned about any provision in any treaty specifying that a certain quantity of water shall cross the international boundary line for your lands?

Mr. CHANDLER. Yes, sir; that is correct. I will qualify that by saying that that is my individual opinion, and I am only one of a good many owners of our property and I could not say anything here that would commit my associates. But I have very strong views personally on that subject from my observations of irrigation enterprises in the United States and especially around my home, and I would not feel that we were taking a particle of chance.

Mr. HAYDEN. You think that there would be enough return water for which no use could be found in the United States which would be ample for your interests, for the reason that water runs downhill and must cross the boundary line into Mexico?

Mr. CHANDLER. You have stated it exactly. I do not say it would all be return water. In the wintertime they are never going to do much irrigating up in the northern portions of the river, and if that water that they did not use in the river is run down into reservoirs and held and then the summer floods are held, I do not think they can hold back, by ever so many dams, except temporarily, enough water to prevent our having all we need to irrigate all of our lands and all the other lands below the line and above the line in the lower reaches of the river.

Mr. HAYDEN. The most recent statement on the subject is by Hon. George W. P. Hunt, Governor of Arizona, issued on New Year's Day, from which I read this extract:

There is ample water in the stream for the needs of completing development, along every line, for Arizona, California, and Nevada. There is no necessity that any of the three should want. However, if the irrigation of limitless acreages in Mexico is added to the equation, some one of the three must want.

Under the Boulder Dam set-up this enormous acreage in Mexico would be provided with water for irrigation. Intensive farming will be pursued thereon, the products of which will come into competition with those of American farmers in the world markets.

It is a question of whether the deserts of Arizona shall be converted into fertile farms, supporting American communities, or whether vast areas in Mexico shall be developed, supporting alien communities.

We hold that under these circumstances the sympathies of all good Americans should lie with Arizona in this controversy.

The Senators and Congressman from Arizona were told, when we offered amendments in the Senate and in the House of Representatives, and when we made the suggestion of notice to Mexico before the appropriate committees, that the language in the Swing-Johnson bill was ample and sufficient to insure that all the impounded waters of the Colorado River would be used in the United States and none could be used in Mexico. Nevertheless, Mexico now appears demanding 3,600,000 acre-feet of water out of that stream. It seems obvious that under such circumstances the recommendation made by the commission that has been trying so hard to negotiate a treaty with Mexico should be carried into effect by the President.

The first section of the Boulder Canyon project act provides for the construction of a dam on the Colorado River (now known as the Hoover Dam) for the storage of water "for reclamation of public lands and other beneficial uses exclusively within the United States." Amendments to the Swing-Johnson bill were offered in both the House and Senate to make it certain that Mexico could lay no claim to the waters to be impounded at Boulder Canyon, but they were not adopted upon the plea that the language which I have quoted from the act amply protected the interests of the United States and made it certain that none of such waters could be used in Mexico.

If it was the intent of Congress that all of the waters of the Colorado River should be put to beneficial use exclusively within the United States, and all agree that this intent is clearly expressed in the act, what possible objection can there be to frankly and truthfully advising Mexico that such is our purpose.

In the name of the people of the State of Arizona, whose legislature has specifically asked that such action be taken, I earnestly and respectfully request of the President of the United States that he serve formal notice upon the Government of the United States of Mexico, through diplomatic channels, that the Government of the United States of America intends to use within its own boundaries all of the waters of the Colorado River stored by the dam which bears his name and that if Mexicans use any of such waters within that Republic they will do so at their peril.

The President should not fail to transmit this warning without delay and thereby preserve peace and good will between the two nations, which are certain to be disturbed in the not distant future if such notice is not now given. The recommendation made by Dr. Elwood Mead, Gen. Lansing H. Beach, and Mr. W. E. Anderson, as the American members of the International Water Commission, should be promptly carried into effect by President Hoover.

EXHIBIT A

STATEMENTS RELATING TO THE COLORADO RIVER APPEARING IN THE REPORT TO CONGRESS OF THE AMERICAN SECTION OF THE INTERNATIONAL WATER COMMISSION, UNITED STATES AND MEXICO (H. DOC. 359, 71ST CONG., 2D SESS.)

Statement submitted by the Mexican section of the International Water Commission, Mexico City, D. F., August 24, 1929

During the meeting held by the International Water Commission on the 21st of August, Commissioner General Beach suggested that the Mexican section present a written statement made along the same lines Mr. Dozal verbally expressed a moment before as to the better way to deal with the Colorado River from the international point of view.

In compliance with this request, and with the desire to satisfy the American section, the Mexican section has the honor to present the following statements:

First. The Mexican section considers that the Colorado River, being an international stream, the use of its waters constitutes a common wealth for both countries, and that in consequence, in order to deal with its beneficial uses as well as with flood control, this river must be considered as a single geographic unit.

Second. The Mexican section considers as a common interest to both coparticipant countries in this common wealth that the development of the resources of the Colorado be carried to the maximum of benefits.

Third. The Mexican section considers that in order to attain the maximum development to which the foregoing statement refers it is imperative to construct structures to make possible:

- (a) Irrigation.
- (b) Flood control.
- (c) Power.
- (d) Domestic uses.

With the foregoing enumeration of beneficial uses, it is not the intention of the Mexican section to establish the preferent order of importance of each one of the works from a general standpoint of view but from the one attributed to them from the Mexican point of view exclusively in regard to the Colorado River.

Fourth. According to the foregoing enumeration, the Mexican section considers irrigation as being of paramount importance to Mexico.

Fifth. In order to set figures that will satisfy the development of irrigation in Mexico, the Mexican section awaits to know the joint report now in preparation by the technical advisers.

Sixth. In order to finally set its ideas as to the manner the International Water Commission must deal with points pertaining to flood control, power, and domestic uses, the Mexican section needs to learn, by means of a written statement from the American section, its ideas as to how the International Commission must deal with the Colorado River from a general point of view.

Memorandum of the American section on the division of the water of the Colorado River

MEXICO CITY, D. F., August 29, 1929.

In compliance with the request of the Mexican section of August 24, the American section submits its views on the equitable division of the Colorado River, between the United States and Mexico, and on the problems of power and flood control.

So far as we are advised, the only instance of the determination of international rights to water for irrigation and other consumptive uses, between the United States and Mexico, is the convention for the equitable distribution of the waters of the Rio Grande River, signed May 21, 1906. Under this convention the United States undertakes to provide a regulated flow of water from a reservoir built by and within the United States, and supplied with water wholly from United States territory, sufficient to irrigate certain lands in Mexico which had been previously irrigated from the unregulated flow of this river.

While this convention states that the action taken on the Rio Grande shall not constitute a precedent, and was not taken because of any legal obligation on the part of the United States to provide water for Mexico, but was done as an act of comity, our commission believes that the problems on the Colorado are similar in character and justify similar action. It believes further that the problems of flood control will be largely solved for Mexico as well as the United States by the building of Boulder Dam, which has been authorized by the United States.

It proposes, therefore, as an equitable division the waters of the river for irrigation and domestic purposes, the delivery by the United States to Mexico each year at the international boundary of an amount of water equal to that delivered for irrigation and domestic purposes in Mexico from the Colorado during the year 1928, which is the maximum delivered in any one year (as determined by the technical advisers) and which is understood to be 750,000 acre-feet. To this amount the American section proposes, if this seems warranted, to add an additional amount to compensate for losses in the main canal.

The delivery of water by the United States as here proposed will be conditioned on the construction of Boulder Dam, until which time the present unregulated delivery must continue. The regulated delivery, when it begins, shall be in accordance with a schedule to be hereafter agreed upon, with the understanding that in case of extraordinary drought or serious accident to the storage or diversion works in the United States, the amount of water to be delivered to Mexico will be diminished in the same proportion as deliveries in the United States.

The problem of flood control will be largely solved for both the United States and Mexico by the building of Boulder Dam, which will create a reservoir large enough to hold the average flow of the river for one and one-half years. This will make it possible to deliver to Mexico a regulated supply, save as it may be affected by local storms below Boulder Dam. This regulation is also being supplemented by the extensive construction of storages on the Gila River in Arizona.

While the generation and sale of hydroelectric power will be an important factor in the settlement and development of the Colorado Basin in the United States, it does not seem a factor in the equitable division of the water between Mexico and the United States.

The American section desires to call attention to the imperative need for the regulatory works the United States is preparing to build, and to the benefits which will come to both Lower California in Mexico and to Imperial Valley in the United States from such construction.

The protection now afforded irrigated lands from floods is by levees, which involves a large yearly expenditure, and is attended by such hazards that the limits of safe and profitable development have almost, if not quite, been reached. Furthermore, the fluctuations in discharge, which over a period of years have ranged from 220,000 cubic feet per second at high water to 1,200 cubic feet per second at low water, renders any extension of the irrigated area on the lower Colorado without regulation both hazardous and undesirable. It is the low-water flow of this river which now determines the safe and profitable limits of irrigation. The losses from shortage of water in the river have in a single year amounted to millions of dollars to the Imperial Valley in the United States and Mexico, and have caused the authorities of the Imperial irrigation district to refuse water to additional areas until, by regulation, the low-water discharge of the river can be increased.

The United States is, therefore, preparing to build works to regulate the flow of this river of greater size and cost than any of a similar character heretofore undertaken by any country to end a situation which may in any year involve an appalling disaster to the people of this region in both countries.

Another menace to permanent irrigation without storage on the lower part of the river, in both Mexico and the United States, is the immense amount of silt carried down and deposited in the bed of the stream, where the land has to be protected from overflow by levees. The silt deposit is causing the bed of the river to rise, and this requires a continual increase in the height of these levees. Within a few years protection by levees of these lands will become impracticable because of cost and risk. The reservoir at Boulder Dam will solve this problem for many generations, because it will catch and hold nearly all of this silt.

The quantity of water to be delivered to Mexico by the United States under this proposal does not, however, represent all the water Mexico will receive, because whatever flows down the Colorado in excess of the consumptive uses in the United States must in the future, as in the past, cross the boundary into Mexico and be available for use there. It will undoubtedly be an important factor in further irrigation development in Mexico, but the use of this surplus water in Mexico can not be regarded as establishing a right to such water as against the United States.

While it is not possible at this time to state the location or the exact use to which the waters of the Colorado will be applied in the United States, it can be stated definitely that all of the water which the stream carries will ultimately be needed and can be used in that country, and that any allotment to Mexico contemplated by this proposal will restrict development in the United States to a corresponding extent. The following facts will illustrate this:

The investigations which preceded the location of the Boulder Dam fixed the area of land which could be irrigated from the Colorado in the United States at something over 6,000,000 acres. Subsequent developments have shown that this estimate is too small. It did not include any water from the Colorado to supply Los Angeles, San Diego, or other areas of the coastal counties of California. It is now evident that from 1,000,000 to 2,000,000 acre-feet will have to be taken from the Colorado to supply these requirements.

Similar illustrations could be furnished of new and previously unexpected demands growing out of increased population and industrial development in the upper reaches of the river.

Under these conditions, conceding to Mexico a definite quantity of the waters of the stream equal to the maximum amount thus far delivered in any one year, and in addition lessening the hazards under which it is now used, will, it is hoped, be regarded by the people of both countries as a just and generous statement of this question.

Remarks to the American memorandum of August 29, 1930, presented by the Mexican section of the International Water Commission, Mexico City, D. F., September 2, 1930

The Mexican section of the International Water Commission present the following remarks to the memorandum presented by the American section, dated August 29, 1929, regarding the distribution of the waters of the Colorado River:

I. The Mexican section does not admit that the problem of the water supply for the Mexican claimants in the El Paso Valley, as it was resolved by the convention signed on May 21, 1906, is similar to the problem of distributing the waters of the Colorado River:

(a) Because the 1906 convention was concluded in order to satisfy claims of Mexican citizens, supported by their Government, and due to damages in their property when the flow of the Rio Grande was exhausted due to beneficial uses upstream within United States territory. Consequently, it was not the main purpose of this convention to settle the problem of the equitable distribution of the waters between the two countries, notwithstanding that it so states.

(b) Because according to the statement made in the foregoing paragraph, the claims were presented in such terms as to obtain cash indemnity for damages, but these claims were finally settled when this cash indemnity was converted to an equivalent value in water for irrigation; that is to say, it was as a compensation for damages previously suffered, a condition absolutely nonexistent in the case of the Colorado River.

(c) Because article 5 of said treaty provides as follows:

"The United States, in entering into this treaty, does not thereby concede, expressly or by implication, any legal basis for any claims heretofore asserted or which may be hereafter asserted by reason of any losses incurred by the owners of land in Mexico due or alleged to be due to diversion of the waters of the Rio Grande within the United States; nor does the United States in any way concede the establishment of any general principle or precedent by the concluding of this treaty. The understanding of both parties is that the arrangement contemplated by this treaty extends only to the portion of the Rio Grande which forms the international boundary, from the head of the Mexican canal down to Fort Quitman, Tex., and in no other case."

Therefore it must be considered that the very special procedure following in this convention would not be invoked in the future as a precedent.

(d) Finally, according to the criterion of this Mexican section, the international comity invoked as a basis for negotiation of this treaty can not be applied to the case of the Colorado River,

inasmuch as this section considers the Colorado River as a common wealth due to its international geographic nature, upon which Mexico bases its right to the use of its waters, right which is so much more consistent than any other consideration based upon international comity.

II. The purpose of the Government of the United States has of building a reservoir with sufficient capacity to store the flow of the Colorado River for a year and one-half notoriously violates certain provisions of the boundary treaties now in force. The Mexican Government has made several representations, since 1903 up to this date, viz, when water was first used for the development of the Imperial Valley, when legislation on the Colorado River was first being prepared, and when this legislation was completed.

This Mexican section, notwithstanding, maintains its criterion of recommending modifications to the treaties now in force, but only in case that said modifications would establish new legal status, equally firm which would guarantee better uses or services of the waters to Mexico.

III. The Mexican section begs to call the attention once more to the fact that in order to make the previous demand for water this section took in consideration only lands susceptible of irrigation by ditches, irrigable lands by pumping lift under 80 feet, and those that could be cultivated at a small cost. On the other hand, in the United States by home reasons which we must not analyze, there were taken into consideration domestic uses of cities far away from the stream, lands to be irrigated with a pump lift of between 80 and 400 feet, and also lands that it would be very costly to put them under cultivation.

The Mexican section considers, due to the foregoing, that in order to make an equitable distribution of the waters, only similar necessities must be taken into consideration.

IV. The Mexican section considers that the status brought about by diversion of waters of the Colorado River through Mexican territory, has given the right to Mexico of using 5,000 cubic feet per second, or 3,600,000 acre-feet per year. Therefore, Mexico could not accept a smaller volume than that one, in an equitable distribution.

The enormous wealth developed in the American Imperial Valley is founded upon Mexico's benevolent consent while accepting a water right of way.

The concession which originated this status was accepted by the United States Government, and thereafter that same Government not only maintained its acceptance but authorized large appropriations of Federal funds in order to maintain certain structures derived from the original concession.

V. The Mexican section desires that with reference to the development of power, the same rates be considered for Mexican users as for American users.

VI. The Mexican section has the conviction that flood control in lands of the lower Colorado River will not be possible or complete just by the erection of Boulder Dam, but that flood-control works will be required in Mexican territory.

Run-offs originated downstream of Boulder Dam and at the Gila River may produce disastrous floods, notwithstanding the construction of Boulder Dam, inasmuch as the channel of the river will be materially reduced by the deposit of silt due to the lower carrying capacity of the stream and because of a more easy growth of vegetation under future conditions.

Experience at the Rio Grande after the construction of Elephant Butte Dam is a very good example in connection with the above statement.

VII. The attention of the American section is requested by the Mexican section toward the surplus water that must flow through Mexican territory, after the construction of Boulder Dam.

After the construction of Boulder Dam the channel of the river will be higher due to the reasons above mentioned, and so this surplus water will raise the water table and thus create a drainage problem for the Mexican lands.

VIII. While demanding waters from the Colorado River for Mexican lands, the Mexican section has taken into consideration the area of these lands, the exercise of the rights of Mexico to the present time, and the flow of the Colorado River.

The Mexican section considers that there are about 6,000,000 acres of American lands requiring improvements at low cost or pumping under 80-foot lift, and that the Mexican lands under similar conditions amount to about 1,500,000 acres. If the annual run-off of the Colorado River at Yuma is about 17,400,000 acre-feet, and following the criterion of distributing the waters of the river in proportion to lands in both countries, which are under above-mentioned conditions, 3,480,000 acre-feet would correspond to Mexico and 13,920,000 acre-feet to the United States lands.

Mexico has a right to 3,600,000 acre-feet under the concession of the Compania de Tierras y Aguas de la Baja California. The amount of 750,000 acre-feet which the American section considers as just and generous for the lands in Mexico, notoriously results out of proportion with the figures above analyzed, and so Mexico can not accept as her share on the equitable distribution of the waters of the Colorado River the above-mentioned amount of 750,000 acre-feet.

Conclusions: In the above statement the Mexican section has just developed her criterion, as stated during past meetings and statements, and respectfully expects from the American section:

I. That the latter will reconsider its offer in regard to volumes of water for the Mexican lands.

II. That the latter will please state its position regarding power developments and flood-control works.

Mexico, September 2, 1929.

Memorandum of the American section on the proper division of the Colorado River between the United States and Mexico, and on arrangements needed to protect irrigated lands from floods of the lower Colorado River in both countries

MEXICO CITY, D. F.,
September 6, 1929.

1. The American section has given careful and sympathetic consideration to the memorandum of the Mexican section of September 2 on the distribution of the waters of the Colorado River. It regrets that there should be any difference of view on this matter between the two sections, but appreciates the candid and definite statement of the Mexican section as to its position. In complying with the request of the Mexican section for a further statement of the American position, the American section expresses the hope that the statement submitted will contribute to a better understanding of the situation in both countries and help to bring the efforts of the commission to a satisfactory conclusion.

2. The American section notes that the Mexican section does not recognize the similarity between the case which occurred in the El Paso Valley and was settled by the convention of May 21, 1906, and the present situation upon the lower Colorado River. Certainly there is similarity in the following conditions: On both streams the water involved in the settlements comes from the United States. In both cases storage of the water and regulation of the streams are factors. It would only require the construction of Boulder Dam and the withholding of water from Mexico to make these cases not only similar but identical.

It is true that article 5 of the Rio Grande convention states that the action there taken shall not be regarded as a precedent and that the United States does not recognize any legal basis which would give the owners of land in Mexico a right to water which may be in the Rio Grande before it reaches the international boundary. To apply the principle there laid down and accepted by Mexico would be to prevent Mexico from making any claim whatever to the waters of the Colorado. The American section has not, however, regarded this as a precedent, but proposes, because of similarity in conditions, to recommend the granting to Mexico, as an act of comity and friendship, but not as a right, the largest amount of water which it had ever taken in any one year.

NAVIGATION

3. The claim of the Mexican section that the building of Boulder Dam would be a violation of existing treaties can not be accepted.

The American section has no knowledge of any treaty or other obligation of the United States which would restrict its action on the Colorado within its own boundaries. On the contrary, freedom of action is specifically stipulated in the treaty of Guadalupe Hidalgo, which says:

"The stipulations contained in the present article shall not impair the territorial rights of either Republic within its established limits."

Furthermore, both countries have for many years ignored and abandoned in practice the obligation to maintain navigability on the lower Colorado.

Among the acts which support this statement is the contract between the Mexican Government and the Sociedad de Riego y Terrenos de la Baja California, a Mexican corporation, made in 1904, under which Mexico recognized the right of this corporation to divert from the river, for consumptive use, 10,000 cubic feet of water per second. This is more than the entire low-water flow of the river for considerable periods of time, and could only result in the impairment or destruction of navigation.

As a result of the acts of this Mexican corporation, the entire Colorado River was diverted from its channel in 1905, and for more than a year flowed, not into the Gulf of California, but into the Salton Sea. During this time the former channel of the river was dry. Navigation was, of course, out of the question. The Gadsden treaty of 1853 expressly states:

"The vessels and citizens of the United States shall, in all time, have free and uninterrupted passage to the Gulf of California to and from their possessions situated north of the boundary line of the two countries."

Notwithstanding this, Mexico assumed no responsibility for the maintenance of a navigable channel and made no effort to restore the river to any channel which would make navigation possible.

In order to turn water from the Colorado into the channel of the Mexican corporation it has been necessary for many years to place in the channel of the stream each year at Hanlon Heading a temporary dam, which has been an effective barrier to navigation. This obstruction to navigation has been acquiesced in by both Mexico and the United States during this entire time.

In the opinion of the American section, Mexico is, by these acts, estopped from objecting to any action of the United States on the Colorado within its own territory which would interfere with navigation.

ALLOCATION OF WATER TO MEXICO

4. The criteria proposed by the Mexican section in paragraph 3 of its memorandum of September 2 would, if applied to the United States, prevent the application of water to its most valuable uses, in that it would restrict supplying cities and towns with water for domestic purposes and prevent the irrigation of some of the most valuable lands in the country which happen to have a pumping lift of more than 80 feet. It is not believed that the application of such conditions are necessary to a proper settlement of the rights of the two countries, or that it could be accepted in the United States; nor can the American section approve of the pro-

posal that the development of land in the United States should be restricted by the reservation of water for lands in Mexico that are not now irrigated and which may not be irrigated for an indefinite period in the future. To do this would require the United States to make a surrender of its resources and restrict its development for reasons that are not required by either international law or comity.

5. The contract of the Government of Mexico with a Mexican corporation authorizing diversion from the river of 10,000 cubic feet a second for use in Mexico and the United States does not of itself establish a right to this or any other quantity of water. Diversions under that contract could only ripen into equitable claims which the United States, under comity, should recognize when the water has been actually applied to beneficial use. Only a fraction of the 10,000 cubic feet per second of the contract referred to has been so used.

The American section proposes to recognize the claim of Mexico for the largest amount of water ever applied in irrigation or to other beneficial uses under this contract in any one year, and it believes, as stated heretofore, that this is a just and generous settlement of this question.

6. The American section desires to state further that the new status which will be created by the construction of Boulder Dam and the regulation of the Colorado River will not operate to the injury of Mexico. On the contrary, the regulation of this river is absolutely essential to the continued safe and profitable irrigation of lands in the delta of the Colorado, both in the United States and Mexico. The protection of these lands by means of levees against conditions created by the floods of the Colorado and the immense volumes of silt carried down and deposited in the channel of the stream is too costly and hazardous to be continued. Either an immense storage work, like that which the United States is to build, must be constructed or an overflow of appalling dimensions will destroy the homes and farms in the delta of the Colorado, on both sides of the international boundary.

7. The great expenditure which the United States is preparing to make to create this regulating reservoir has for its primary purpose the protection of the irrigated lands of the lower Colorado. The completion of these works will not restrict irrigation development in Mexico. It will guarantee safety and lessened expense in the irrigation of lands now being farmed. Moreover, as pointed out in our previous memorandum, the amount of water guaranteed to Mexico in the American proposal will not limit the amount of water received by Mexico. All the surplus beyond the actual necessities of the United States will flow into Mexico under far better conditions for use than is possible now from an unregulated river. This fact is a source of gratification to the people of the United States, and Mexico can rest assured that the operation of Boulder Dam will be carried on with a desire to secure the largest possible benefits to Mexico compatible with efficient operation and the protection of rights within the United States. It is hoped, therefore, that the Mexican section will reconsider its position on this matter.

FLOOD CONTROL

8. The American section has submitted to the Mexican section maps prepared by the Imperial irrigation district and by J. C. Allison, who has long acted as engineer for the Colorado River Land Co. and who is largely engaged in the irrigation of Mexican lands in the Colorado delta. These maps clearly show that the uncoordinated action of these agencies in protecting the lands subject to overflow, and in keeping the Colorado River within a defined channel, has resulted in the creation of dangerous and unsatisfactory conditions and that the termination of this and the protection of lands on both sides of the boundary require the formulation of a definite plan of river protection and flood control.

Thus far almost the entire expense of protecting lands in Mexico and the United States has been borne by the Imperial irrigation district and its predecessors, supplemented by large contributions from the Treasury of the United States.

The financial record of money spent in Mexico for the construction and maintenance of levees for the protection of lands, both in Mexico and the United States, is as follows:

Imperial irrigation district and its predecessors, including the expenditures by the Southern Pacific Co.	\$6,562,000
United States Government	1,100,000

Total from the United States	7,662,000
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Mexican Government and Mexican interests	340,000
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This last item does not include repair work in 1928 or the new east side levee built in connection with the Baja California Canal during the past season.

The benefits to Mexico of this protection are such that neither the Government nor the lands protected in Mexico have borne their proper share of the cost. It is not only necessary, but just, that there should be the assumption on the part of Mexico and Mexican interests of a far larger share of these costs in the future.

The American section believes that early action is desirable to protect the interests of both countries during the period of construction of Boulder Dam and to maintain a flood and drainage channel to the Gulf for such surplus waters as may come down the river after the dam is completed and that authority and money be asked from our respective Governments to pay salaries and expenses for survey and preparation of plans and estimate of cost for the construction and maintenance of this flood and drainage channel.

POWER

The view of the commission, expressed in its previous memorandum, that the power problem does not enter into the settlement of the problems of equitable distribution of the waters of the Colorado is repeated. The American section, however, recognizes the importance of cheap power to Mexico in pumping water for irrigation along the lower Colorado, and it desires to contribute to this result in any way that would have the approval of the United States. It points out, therefore, that notice has been given to all those who desire to purchase power generated at Boulder Dam to file their applications on or before October 1, 1929, with the Secretary of the Interior. If the irrigators in Mexico desire to secure part of this power their proposal should be submitted. The most convenient and valuable source of power for Mexico will be that resulting from utilization of the power opportunities along the all-American canal, and the informal suggestion of the Mexican section that Mexican interests be permitted to purchase a share of this power at the same price as it is sold in the United States is reasonable, and no misgiving is felt that such privilege will not be accorded.

(NOTE.—"Lower Colorado," where referred to in this memorandum, means that section of the Colorado River between Laguna Dam and the Gulf of California.)

Committee report on the Colorado River, Washington, D. C., October 30, 1929

The committee appointed by the International Water Commission at its session of the 23d instant to study the matter of the Colorado River, has the honor to submit to the consideration of the commission the result of its investigation, which is embodied in the following resolute points:

I. The committee agrees in the opinion that the first step to be taken in order to draft a report which can serve as a basis for an international treaty regarding this river, should be to arrive at a plan whereby the division of the waters may be made in an equitable manner, and looking to the best use of same in each country as each country may determine.

II. The committee agrees in the opinion that, in order to accomplish this purpose, the commission must suggest to both Governments the necessity of abrogating the theory of navigability contained in the treaties now in force and authorizing more profitable uses of the waters for both countries.

III. The committee agrees in the opinion that the commission should suggest to the respective Governments that the treaty to be concluded must contain special provisions guaranteeing the building of flood-protection works, and also a clause providing that electrical power generated in either country may be carried into the other country and there distributed and sold without discrimination or prejudice, reserving to each country according to its own laws and regulations the right of supervision and control of such imported power in exactly such manner and extent as may be exercised over electrical power generated within its own territory.

IV. The committee has been unable to reach an agreement regarding the volume which must be apportioned to Mexico, and expresses the following separate contentions:

(a) The American commissioner is of the opinion that the amount which must be considered for that purpose is 750,000 acre-feet per year; and

(b) The Mexican commissioner is of the opinion that the minimum which can be accepted by his country is 3,480,000 acre-feet per year, as the Mexican section set forth in its memorandum of September 2, 1929.

V. The United States commissioner bases his opinion in the following considerations:

The United States section can not see its way clear to admit the position of the Mexican section that in endeavoring to determine the division of the waters of the Colorado River between the two countries, international boundaries should be ignored and the problem treated as if the territory involved belonged to a single nation, nor does it believe that the number of acres of land capable of irrigation in each country from the river should be taken as a basis for such division.

The Government of the United States has consistently held to the doctrine laid down by the Supreme Court of this country when it said:

"The jurisdiction of the nation within its own territory is necessarily exclusive and absolute. It is susceptible of no limitation not imposed by itself. Any restriction upon it, deriving validity from an external source, would imply a diminution of its sovereignty to the extent of the restriction, and an investment of that sovereignty to the same extent in that power which could impose such restriction. All exceptions, therefore, to the full and complete power of a nation within its own territories must be traced up to the consent of the nation itself." (Schooner Exchange v. McFadden, 7 Cranch, p. 136.)

It has always been held that a nation has a full right within its own territories of those resources which might be necessary for its development or for the comfort of its people. Any granting of a portion of such resources to another nation must be regarded as a voluntary act of friendship and comity. It may be good policy between nations to make a concession of this nature, but such an act can not be claimed as an acknowledgment of any right upon the part of the nation to which it is made.

On the assumption that it may be an act of friendship and an evidence of good will to a neighboring nation for the United States to concede a portion of the waters of the Colorado River

to Mexico, the question arises as to the basis on which that concession should be made and the amount which can be allotted consistent with a due regard to the proper development of each country and the best interests of the citizens of each nation.

The basis of areas of irrigable land in each country, as has been proposed by the Mexican section, is not regarded as tenable, for the reason that such a method takes no account of the people involved who are the real beneficiaries and for whom in the last analysis the division of the waters is really desired. A fairer method would be a division in accordance with population, but this is likewise untenable for the reason that for an indefinite time to come the markets for the produce raised upon the lands of Mexico irrigated from the Colorado River will be rather in the United States than in Mexico. The areas of territory in the two countries dependent upon the Colorado River for future development would be a method difficult of determination, especially as such territories would not be confined to the limits of the river's watershed. To take the value of the developments which have already been made in each country upon lands tributary to the river as the basis for a division, or to take present conditions as indicative of the future, can not be maintained.

Were the flow of the Colorado River sufficient in quantity to supply the various sections of both countries desiring its waters for future development, our task would be easy and simple. Unfortunately, the demands are far beyond the volume which the river can provide, and these demands are so far-reaching and of so great importance to the people of the United States that they are now preparing to spend \$400,000,000 in order to secure a full utilization of such water as the river carries. It does not appear that the United States is required, even in proof of its friendship and good wishes for Mexico, to limit its own growth and abridge the comfort of its own citizens that a neighboring nation may be correspondingly benefited. Neither does it seem an act of neighborly kindness to itself appropriate the waters of the river to such an extent that people who have developed lands in Mexico and placed them under cultivation would be deprived of water and the lands forced back into wilderness. To avoid such a condition and to prevent loss to the holders of land in Mexico, the United States section believes that the commission should recommend to the Governments of the two countries that the amount of water to be allotted to Mexico each year be the largest amount which has to this time been given to that country in any one calendar year. This quantity is practically 750,000 acre-feet. This quantity of water will permit of the undiminished continuance of the greatest agricultural activity which has as yet occurred in this part of Mexico. The United States section regrets that it can not see its way to recommend a larger amount to Mexico, but believes that it is going as far as it properly can when it saves the existing users of water in Mexico from loss, and feels that if it recommended an additional amount it would be recommending an injury to its own country. The section, in taking this action, is as liberal as any country has ever been or as the Supreme Court of the United States has been in determining questions of this character between the States. The section further invites attention to the fact that for an indefinite time in the future the amount of water entering Mexico will be in excess of 750,000 acre-feet.

It is understood that the Mexican section regards it as beyond the powers of this commission to make recommendations to the Governments of the two countries concerning the early adoption of measures for flood protection. Authority for such action was not given, but it is unquestionable that had the proximity and magnitude of the present danger been foreseen, not only would authority to recommend been extended but power to act would probably have been included.

To allow the Colorado River to again break into the Salton Sea would mean the destruction of the cultivated lands of the Imperial Valley in both Mexico and the United States and the overwhelming of the villages and towns which have grown up in the valley. The danger points are in Mexico and the protective measures will have to be taken on that side of the boundary line. The catastrophe will involve portions of both countries.

The United States earnestly requests the Mexican section to join it in an immediate report by the commission and a recommendation to both Governments that prompt measures be taken to prevent all danger and that the necessary funds be immediately provided.

VI. The Mexican commissioner bases his opinion in the following considerations:

That having before him all the documents pertaining to the matter, particularly the technical report of the experts and the papers exchanged between both sections during the second period of sessions of the International Water Commission, held in Mexico from August 20 to September 9, inclusive, of the present year, to wit:

"1. Memorandum of the American section, dated August 29, 1929, on the division of the waters of the Colorado River.

"2. Objections of the Mexican section of the International Water Commission to the memorandum presented by the American section on August 29th ultimo, regarding the division of the waters of the Colorado River.

"3. Memorandum of the American section on the proper division of the Colorado River between the United States and Mexico and on arrangements needed to protect the irrigated lands from floods of the lower Colorado River in both countries, dated September 6 of this year."

He considers that all the reasons adduced and the conclusions arrived at by the Mexican section must be regarded as subsistent,

due to the fact that the objections made by the American section in the last of the aforementioned documents to such reasons and conclusions are unacceptable for the reasons which I set forth below, to which, for the sake of clearness, I will refer with the same numbers as they appear in the memorandum in question:

Point 1. Unobjected.

Point 2. The Mexican section does not base the claims of Mexico on reasons of comity, nor does it believe that this principle can be applied to justify an apportionment of water which, in its opinion, must be effected as a recognition of the right of Mexico to the use of the international waters of its rivers, taking into consideration the interest that both countries have in the waters, the good understanding and friendship which have marked the solution of their problems, the provisions of the treaties now in force between them, and the practice and principles of international law.

Furthermore, the treaty of 1853, modifying the treaty of 1848, sets forth the reciprocal rights and obligations of both countries to preserve the navigability, and if it were agreed by mutual understanding that the waters of the river under consideration could be used in other ways than navigation, Mexico should be entitled by firm right to a part of these waters, and can not accept therefore, that this right may be set aside to receive the waters as an act of comity or international friendship.

Point 3. The treaty of 1853 brought about the exclusion from Mexican territory of the Gila River; but with respect to the navigability of the Colorado River, the same stipulations were ratified therein as contained in the treaty of 1848. Article 7 of this treaty and article 4 of the treaty of 1853 are very clear in this respect; but, besides, these stipulations were solidly ratified by article 5 of the international convention of November 12, 1884, relating to the international boundaries of both countries.

The situations of fact created or permitted by the United States and Mexico do not affect the principles embodied in the treaties.

It is inadmissible that the concession granted by Mexico to the Sociedad de Riego y Terrenos de la Baja California can stop Mexico from objecting to the construction of any work which may alter the navigability or impair the condition of navigability established by the treaties, for the following reasons:

(a) Because the concession granted by Mexico had as its main object to legalize in benefit of the United States (up to that time the waters were only used within the United States) a situation of fact brought about by disregarding the provisions of Mexican legislation; and this concession was granted to allow the transit through Mexican territory of waters diverted from United States territory.

(b) Because the subsidiary concession to divert waters from the river in a Mexican bank was granted upon the condition that the waters would be used without impairing the navigation.

(c) Because in allowing the transit through Mexican territory of waters diverted in the United States can not hold Mexico responsible for a diversion of waters made in foreign territory, and, finally,

(d) Because the obstruction of the river bed with dams and weirs at Hanlon Heading, in the territory of the United States, is a matter of the exclusive authorization and responsibility of this country.

The concession of 1904 granted by Mexico as an emergency situation that Mexico did not create can not be considered, therefore, as a violation of the treaties in this respect, nor much less can it show any intention on the part of Mexico to set aside its right to the navigability of the river as specified in the treaties.

Point 4. I believe that the Mexican section has not tried to establish a line of conduct for the United States in so far as the use that the United States may make within its own territory of the waters to be apportioned to it after the distribution of the waters of the Colorado River, but it has simply endeavored to arrive at an understanding in order to determine in an equitable way the volume which must be apportioned to Mexico. The possibilities of use of waters in Mexico have been limited to the lands near the river, where profitable irrigation is possible; and it is established that the application of this criterion to the needs which must be satisfied in the United States would allow a considerable reduction in the demands of the latter; but such reduction, on the other hand, has not been taken into consideration to base the resolutions proposed by Mexico; in order to determine such possibilities the American data have been accepted without objection by Mexico.

It is pertinent, however, to make special mention of the fact that, according to the latest information obtained by the United States Geological Survey, Mr. Delph E. Carpenter, investigating the development of the upper basin of the Colorado River, has stated that the requirements of this basin can be filled with a total volume of 5,720,000 acre-feet per year, instead of 7,500,000 acre-feet granted for this purpose in the Colorado River compact.

The Mexican section thinks that a substantial saving in the volume set aside in such compact can be arrived at by a discreet and economic distribution of the waters in the total course of the river.

Point 5. The contract entered into by Mexico in 1904 with the Sociedad de Riego y Terrenos de la Baja California was accepted and recognized by the United States; the diversion of the waters and the principal zone of irrigation are within American territory; the organization handling the irrigation in the United States is an American official organization. This organization and the authorities which allow it to operate have recognized for 25 years the obligation to handle the waters as per the terms

of said concession; that is, they have recognized to Mexico the right to use, in case of need, up to 5,000 cubic feet per second. The fact that this water has not been used does not establish a legal precedent.

Point 6. It is evident that the Mexican section admits the advantages derived by regulation of the river by the construction of Boulder Dam, but it does not admit that this construction will eliminate completely all danger of floods, for the reasons already set forth. It will be required to construct and maintain flood-protection works and perhaps maintain a proper channel for the flow of the waters.

Point 7. The Mexican commissioner appreciates the statement that as soon as the needs of the lands in the United States are taken care of the operation of Boulder Dam will be made in the most favorable way for Mexico, but is of the opinion that if at the same time that the needs of the United States were satisfied, the just demands of Mexico were considered, would result in a better understanding and cordial feeling of friendship between the two countries.

Point 8. The Mexican section will doubtless take into consideration the remarks regarding the expenses of the constructions at the river delta, and is of the opinion that as soon as the division of the waters has been agreed upon any action could be undertaken under better auspices and the work will be greatly simplified.

On the face of this slight analysis of the facts adduced by the American section which, I must repeat, in my opinion do not in any way affect or modify the conclusions of the memorandum of the Mexican section, I, as a member of this committee, ratify in its entirety point 8 of said memorandum and beg to conclude my statement regarding the distribution of the waters of the Colorado River in the following terms:

The Mexican section, in demanding waters of the Colorado River for Mexican lands, has taken into consideration the area of the lands, the rights exercised by Mexico up to the present time, and the flow of the Colorado River.

The Mexican section is of the opinion that the area of American lands which require improvement or pumping lift below 80 feet is approximately 6,000,000 acres, and the area of Mexican lands in similar conditions is 1,500,000 acres. Considering that the flow of the Colorado River at Yuma is 17,400,000 acre-feet, and taking into consideration the principle of proportionate distribution to the lands in each country under similar circumstances, the share of Mexico should be 3,480,000 acre-feet and the American portion 13,920,000 acre-feet.

The volume of water to which Mexico is entitled by virtue of the concession of the Sociedad de Riego y Terrenos de la Baja California is 3,600,000 acre-feet.

The apportionment to Mexican lands of 750,000 acre-feet, which the American section considers just and generous, is notoriously disproportionate to the figures just stated, and, therefore, Mexico can not accept the amount of 750,000 acre-feet as its equitable share of the waters of the Colorado River.

VII. Finally, the committee agrees in presenting two originals, in English and in Spanish, one for each section, authorized with the signature of both commissioners, to be discussed by the International Water Commission at a meeting to be called for this purpose by the two chairmen.

LANSING H. BEACH, *Commissioner.*

IGNACIO LOPEZ BANCALARI, *Comisionado.*

WASHINGTON, D. C., October 30, 1929.

Reply of the United States section to the memorandum of the Mexican section of November 7, submitted at Washington, D. C., November 8, 1929

The United States section of the International Water Commission has given careful consideration to the memorandum of the Mexican section presented at the meeting of November 7, in which that section suggests the appointment of plenipotentiaries from each country who shall negotiate and conclude a treaty providing for a permanent International Water Commission between the two countries. The memorandum proposes the organization, duties, authority, and office location of the proposed commission and that until such commission begins to function the work of investigation upon the boundary streams shall be continued by this body.

It is understood that the manner of appointment of the two sections composing this commission is different and that the results required from each may not be the same. The United States section was appointed pursuant to acts of Congress which directed it to "cooperate with representatives of the Government of Mexico in a study regarding the equitable use of the waters of the lower Rio Grande and of the lower Colorado Rivers, for the purpose of securing information on which to base a treaty with the Government of Mexico relative to the use of the waters of these rivers." The law further says, "Upon completion of such study the results shall be reported to Congress." The Mexican section was appointed by executive action without legal limitations upon its action except such as may be inferred by analogy from the requirement to cooperate with the United States section.

The International Commission since its organization has proceeded to gather all data which will be of value for a basis of a treaty concerning an equitable use of the waters of the rivers. On the Colorado it has ascertained, largely using previously accumulated information, the quantity of water actually and potentially available, the areas of cultivable land which can be irrigated from the river and the quantities which have been used in each country

during various years. Similar information has been obtained for the Rio Grande. The United States section has suggested a basis for the distribution of waters between the two countries and the Mexican section prefers another, quite different. There is no prospect of reconciling these divergent views by further discussion.

On the Rio Grande further investigation must be mainly concerned with the storage of the 4,000,000 acre-feet of water which now runs to waste every year, but further study is unavailing until some determination shall be made of the sources of the water to be stored on the river where it is a boundary stream and that in turn will depend upon the storage upon the tributaries in the two countries, and an international agreement or a treaty fixes the share which each country shall contribute. On the Rio Grande the question of division of the stored waters can not be solved until that of contribution can first be answered. This condition does not occur on the Colorado as both contribution and storage occur in one country only, but the danger of damage and destruction from floods in both countries, due to conditions in Mexico, is so great and imminent that study of the best means of protection should be promptly undertaken. For this purpose, especially in view of the danger of delay, a treaty may not be necessary.

Under all the circumstances the United States section believes that it is now required to make to its Government the report to Congress required by law and that further study of the question of distribution of waters should follow the decision by the proper treaty-making authorities of the two countries of the duties and responsibilities of each. It greatly appreciates the effort of the Mexican section to advance the work of the commission, but believes it is compelled by the law under which it acts to follow a somewhat different course.

ELWOOD MEAD, Chairman.

Summary of interpretations of the treaty of Guadalupe Hidalgo (1848) and the Mexican Boundary Convention of November 12, 1884, by Karl F. Keeler

The writer's interpretations as to what are the treaty rights of the two governments in the Colorado River and its waters may be briefly summarized as follows:

(a) Any treaty rights which the United States and Mexico may have in the Colorado River are to be found in articles 5, 6, and 7, 1848, articles 1 and 4, 1853, and article 5, 1884.

(b) When read together and interpreted according to the accepted rules of law these international agreements reveal:

1. No restriction upon the complete territorial sovereignty of the United States over the river or its waters within the boundary lines established by the treaty of 1853.

2. A grant in perpetuity by Mexico to the vessels and to the citizens of the United States of a right of passage through Mexico, restricted to passage by navigating the Gulf and Colorado River.

3. An obligation upon the United States to enforce against its citizens—the citizens of the United States—the restrictions of the aforementioned grant, but only to enforce them along the boundary portion of the Colorado River.

4. The aforementioned grant is further limited, along the boundary portion of the river, to the actually navigable main channels of the river, but such channels may be navigated even though they lie wholly within Mexican territory.

5. No acknowledgment, grant, or stipulation of any right in Mexico, of, in, or to any part of the Colorado or its waters, except such as are incident to its territorial sovereignty over a portion of the same.

6. No provision for Mexico to navigate the boundary portion of the Colorado River.

Herein no expression has been made as to Government policy regarding treaty rights in the Colorado River; such being wholly outside the province of this memorandum. Many factors will combine to determine such a policy; and since the law is the servant of politics and must not be suffered to become its master, legal treaty rights will serve to orient the view if such other factors.

Respectfully,

KARL F. KEELER, Associate Engineer.

EXHIBIT B

DEPARTMENT OF STATE,
Washington, January 8, 1931.

The President:

There has been submitted to this department by Mr. L. M. Lawson, special commissioner, International Water Commission, United States and Mexico, a summary of the work to be accomplished by the American section of that commission, together with an estimate of the additional funds necessary therefor, for a period of one and one-half years, in order adequately to continue its study in cooperation with representatives of Mexico, of a plan for the equitable use of the waters of the lower Rio Grande, the lower Colorado, and Tia Juana Rivers, for submission to the Congress, pursuant to the provisions of the acts of May 13, 1924, and March 3, 1927, respectively, copies of which are herewith inclosed.

The program of the commission comprehends investigations—

(a) On the lower Rio Grande: Field surveys and office studies of existing works and those urgently needed for the protection of lands under irrigation and towns in the area subject to overflow during floods; surveys and office studies of available dam and reservoir sites suitable for impoundage of flood and excess waters and the development of power; the establishment and maintenance of additional stream-gaging stations looking to an accurate determination of the contribution to the river flow of United

States tributaries; and field measurements of evaporation, consumptive uses, and duty of waters in irrigation in the lower valley.

(b) On the lower Colorado River: Field surveys and office studies of urgently needed flood-control measures including a geological survey of the delta with a view to determining fault zones and their relation to channel location and the preparation of an aerophotographic map of the entire delta zone, an area of approximately 1,500 square miles, with a view to possible channel rectification and other flood-protection measures on lands in the delta zone; field and office studies of possible flood control on the lower Gila River and to determine their effect on Colorado River flood-control measures supplementary to Hoover Dam; the establishment and maintenance of a gaging station on Bill Williams Creek to determine flood crests in that tributary; and a study of probable changes at the Laguna Dam and probable maximum flood to be passed by channel of Colorado River after Hoover Dam is completed, taking into account floods in Bill Williams and Gila Rivers.

Concerning the urgent need of the data to be obtained as a result of the proposed investigations on the lower Rio Grande, Mr. Lawson advises to the effect that there are one-half million acres now under irrigation as well as growing towns in that area which are now subject to overflow during floods; that citizens and communities in affected districts on the American side have already attempted remedial measures at considerable expense, with only partial success due to the fact that the problem is international in its scope and dependent for its solution upon the development and execution of a plan, in cooperation with Mexico, looking to adequate flood protection; and that this is the objective of the proposed investigations and studies.

The commissioners' court of Cameron County, Tex., the Joint Association of Cameron-Hidalgo Counties Water Improvement Districts of the Lower Rio Grande Valley, and the commissioners' court of Willacy County, Tex., have recently passed resolutions, in the form of petitions for remedial action, addressed to this department, setting forth that the citizens of the districts represented have built homes and made investments valued at millions of dollars; that large sums of money have already been expended by Hidalgo and Cameron Counties and by many private corporations and water and road districts in an attempt to control flood waters with only partial success; that, in the absence of adequate remedial measures, all improvements, homes, and other valuable developments in these counties are subject to be swept away by the uncontrolled waters of the Rio Grande, but that neither the counties represented nor the State of Texas has any power to control the flood menaces complained of since the Rio Grande is an international river.

The necessity for continuing the proposed investigations and studies with a view to determining upon appropriate measures for the unification of international flood control in the lower Rio Grande Valley was clearly set forth during a joint meeting of the Mexican and American sections of the International Water Commission held on November 18, 1930, when the Mexican and American commissioners agreed to recommend to their respective Governments that the proposed investigations and studies be made to provide an accurate and complete hydrographic record and to insure a coordinated result in order that they might then be in a position to present a suitable plan for remedial action to their respective Governments.

Concerning the urgent need of the proposed investigations on the lower Colorado River, Mr. Lawson advises that the situation in that area, in its relation to flood control in the Imperial Valley, is most serious and pressing; and that additional data are necessary to complete a remedial plan.

These questions were discussed at length, on the basis of the enormous values of the properties in both countries now menaced by floods in the lower Rio Grande Valley and in the Delta of the Colorado River, during the joint session of the Mexican and American sections of the water commission held on November 18, 1930, and, as a result, the commissioners agreed to submit immediately to their respective Governments the question of obtaining authority and funds necessary in order to devise final plans definitely to provide for a coordinated remedial action.

The cost of the proposed studies by the American section of the commission for a period of one and one-half years, according to an estimate submitted by Mr. Lawson, will be as follows:

Rio Grande investigations.....	\$155,000
Lower Colorado investigations.....	64,000
Expense of office of American section at El Paso.....	68,000
Total.....	287,000

The foregoing is intended to set forth briefly the urgent need of the work to be performed by the American section of the commission, in cooperation with representatives of Mexico, with a view to carrying out the provisions of the acts of May 13, 1924, and March 3, 1927, when the necessary funds for that purpose are made available, and is based on correspondence and documents which will be submitted if desired.

Considering the importance of this matter, I have the honor to recommend that the Congress be asked to enact legislation authorizing an appropriation of \$287,000 for the expenses of the American section of the International Water Commission, United States and Mexico.

Respectfully,

HENRY L. STIMSON.

Mr. SMOOT. Mr. President, I send to the desk the following amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 97, line 23, strike out the numerals "\$76,100" and insert in lieu thereof "\$76,220."

Mr. SMOOT. That increase is required in order to take care of increases in salaries.

The amendment was agreed to.

Mr. SMOOT. I send another amendment to the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 108, in line 8, after the word "road," insert "and the President by proclamation may add any or all of such lands and/or Government lands to Yosemite National Park."

Mr. KING. Mr. President, I would like to have an explanation of the amendment, because there is a great deal of objection to the omnium gatherum executive proclamations under which the public domain, some of which is partially occupied, becomes a part of some national park.

Mr. SMOOT. Mr. President, this has reference to just a few little scattering pieces which, after a survey was made of the Yosemite Park, fell into private ownership. There is no objection so far as the owners are concerned, and it will result in the straightening out of the boundary of the Yosemite Park. That is all it is.

Mr. CRAMTON, speaking of this item, said on December 12, last:

I learned a few days ago, after the bill was reported, that a certain source is prepared to contribute half the cost of acquiring this area if available at a reasonable price and donate the land to the Federal Government, which would be followed, of course, by acquiring a little niche which would straighten out the boundary of the park and add this area to it.

That is all there is to it.

Mr. KING. I shall not object to this amendment; but I do invite my colleague's attention, and the Senate's attention, to the fact that in Wyoming an effort is being made now to take away a part of the public domain and annex it to a park, and I understand that Mr. Rockefeller or some other generous person is willing to make a contribution for the purpose of buying the land owned by some individual to add the same, plus land which belongs to the Government of the United States, to the park.

My colleague will recall that a number of years ago we passed a law, as I recall, which took from the President the power to make wholesale withdrawals. If this amendment contemplated any substantial withdrawal, I should object to it.

Mr. SMOOT. I will say to my colleague that it does not. This is quite different from the general situation in regard to our parks. It has reference to the Mariposa grove of great trees. There are just a few acres there in private ownership. This simply authorizes the adding of that territory to the park, and private individuals will pay the most of the cost. It does not increase the appropriation a particle.

Mr. KING. Mr. President, the amendment reads: "and the President by proclamation may add any or all of such lands and/or Government lands to Yosemite National Park."

Mr. SMOOT. I have asked that the amendment be inserted in connection with the appropriation for the Yosemite Park, because it would be in that park. I can give the Senator a memorandum of all the sections of land in the park. I do not think there will be 20 acres of land involved, but they are all in little straggling pieces, owned by private parties, and this action should be taken.

Mr. KING. The objection I see to this amendment is that it authorizes the President to add any Government lands to Yosemite National Park, not private but Government lands. Under this broad language he could annex thousands of acres of contiguous Government land, and, indeed, it need not be contiguous.

Mr. SMOOT. I assure my colleague there is nothing more to it than what I have stated. It is to make provision so that no private individual will have a right to come into

that great grove of trees stating that he wants to go upon that little piece of land.

Mr. KING. I sympathize entirely with the object which my colleague seeks to accomplish, but I am everlastingly opposed to the increase of Executive authority, and the manner in which this Executive authority has been used too often to withdraw public lands from occupancy by private individuals and throw them into some forest reserve or into some supposed governmental project, to the great disadvantage of the country, as a result of which thousands of acres, indeed millions of acres, have been locked up which should now be open to private entry by the people.

Mr. SMOOT. My colleague and I do not disagree one whit as to that. I can assure him that such a thing could not possibly happen under this amendment.

Mr. KING. I will let the amendment be adopted, as far as I am concerned, but before the bill leaves the Senate I shall offer an amendment providing that no lands shall be withdrawn by the President and added to this reservation except those to which attention has been called in the committee and which are contiguous to and necessary for the rounding out of the reservation. That is just a rough statement as to the provision I shall ask to have inserted.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the senior Senator from Utah [Mr. SMOOT].

The amendment was agreed to.

Mr. CUTTING obtained the floor.

Mr. McNARY. Mr. President, will the Senator from New Mexico yield to me?

Mr. CUTTING. I yield.

PROPOSED UNANIMOUS-CONSENT AGREEMENT

Mr. McNARY. I desire to submit a request for unanimous consent and ask that it be read at the desk and then laid aside. I give notice that probably to-morrow at 12 o'clock I shall bring it up for action.

The PRESIDING OFFICER. The Clerk will read the proposed agreement.

The legislative clerk read as follows:

Ordered, by unanimous consent, that, beginning with Monday, January 19, 1931, and continuing throughout the remainder of the month, the Senate meet at 12 o'clock meridian daily and continue in session on Mondays, Wednesdays, and Fridays until not later than 10 o'clock p. m., and on Tuesdays, Thursdays, and Saturdays until not later than 5 o'clock p. m.

Mr. WHEELER. Mr. President, will the Senator from New Mexico yield to me?

Mr. CUTTING. I yield.

Mr. WHEELER. I was going to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. McNARY. Is that in connection with the proposal I have made?

Mr. WHEELER. No.

Mr. McNARY. I stated a moment ago that I did not intend to bring up the proposed agreement until to-morrow.

The PRESIDING OFFICER (Mr. COUZENS in the chair). If the Senator does bring it up, it will be objected to; I will say that much.

Mr. McNARY. There may be a change of mind on the part of some Senators by the time I bring it up. I suggest that hope, at any rate.

Mr. WHEELER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Caraway	Frazier	Hatfield
Barkley	Carey	George	Hawes
Bingham	Connally	Gillett	Hayden
Black	Copeland	Glass	Hebert
Blaine	Couzens	Glenn	Heflin
Borah	Cutting	Goff	Howell
Bratton	Dale	Goldsborough	Johnson
Brock	Davis	Gould	Jones
Brookhart	Deneen	Hale	Kean
Broussard	Dill	Harris	Kendrick
Bulkley	Fess	Harrison	Keyes
Capper	Fletcher	Hastings	King

McGill	Partridge	Shortridge	Tydings
McKellar	Patterson	Simmons	Vandenberg
McMaster	Phipps	Smith	Wagner
McNary	Pine	Smoot	Walcott
Metcalf	Pittman	Steck	Walsh, Mass.
Morrison	Ransdell	Steiner	Walsh, Mont.
Morrow	Reed	Stephens	Waterman
Moses	Robinson, Ark.	Swanson	Watson
Norbeck	Robinson, Ind.	Thomas, Idaho	Wheeler
Norris	Schall	Thomas, Okla.	Williamson
Nye	Sheppard	Townsend	
Oddie	Shipstead	Trammell	

The VICE PRESIDENT. Ninety-four Senators having answered to their names, there is a quorum present.

Mr. MOSES. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from New Hampshire?

Mr. CUTTING. I yield.

LITTLE BAY BRIDGE, N. H.

Mr. MOSES. Mr. President, the senior Senator from Vermont [Mr. DALE] has just reported from the Committee on Commerce Senate bill 5688, granting the consent of Congress to the State of New Hampshire to construct, maintain, and operate a toll bridge or dike across Little Bay at or near Fox Point. I ask unanimous consent for the present consideration of the bill.

Mr. BRATTON. Let it be reported.

Mr. MOSES. I will explain it to the Senator. It is a bridge bill in ordinary form, granting permission to the State of New Hampshire to build a bridge, and inasmuch as the Legislature of New Hampshire is now in session considering the appropriation for the construction of this bridge, unless the bill is passed speedily we shall be unable to go forward with the work.

Mr. NORRIS. Mr. President, will the Senator yield for an inquiry?

Mr. MOSES. I yield.

Mr. NORRIS. This bridge is to be built by the State of New Hampshire?

Mr. MOSES. Yes; over navigable water.

Mr. NORRIS. Does not the Senator know of any private individuals in New Hampshire sufficiently interested in building bridges in that State to construct this bridge?

Mr. MOSES. The Senator from Nebraska has kept the Senator from New Hampshire so busily occupied in Washington that the Senator from New Hampshire has not had an opportunity to hunt up such individuals.

Mr. NORRIS. The Senator is advocating the building of a bridge by his State?

Mr. MOSES. No; the State is advocating the building of the bridge by itself.

Mr. NORRIS. The Senator is trying to get a bill passed to give the State authority to build a bridge?

Mr. MOSES. The Senator from Nebraska is quite correct in that, and I hope he will not object.

Mr. NORRIS. I have no objection to it, but I am terribly afraid that it will very seriously affect private initiative to have the State of New Hampshire go into the bridge building business.

Mr. MOSES. We will take our chances on that.

The VICE PRESIDENT. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of New Hampshire to construct, maintain, and operate a bridge and approaches thereto across the Little Bay at a point suitable to the interests of navigation, at or near Fox Point, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a

period of not to exceed 30 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls, or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The title was amended so as to read: "A bill granting the consent of Congress to the State of New Hampshire to construct, maintain, and operate a toll bridge or dike across Little Bay at or near Fox Point."

POLITICAL ACTIVITIES OF ROBERT H. LUCAS

Mr. CUTTING. Mr. President, I want to invite the attention of the Senate to a few items which have been in the public news in the last few days, all of them centering around the person of Robert H. Lucas, executive director of the Republican National Committee. In bringing up these matters at the present time I do not desire that the Senate should think that I attach any particular weight to the activities of Mr. Lucas. They merely bring up a question which seems to me exceedingly fundamental with regard to the conduct of public affairs in the country, and especially our party system.

The first item to which I desire to invite the attention of the Senate is a letter written by Mr. Lucas on October 6, 1930, shortly after he had resigned the position of Commissioner of the Internal Revenue Bureau and accepted a position with the Republican National Committee. The letter is headed "Republican National Committee, Barr Building, Washington, D. C. Robert H. Lucas, executive director." It was sent out to the various employees of the Internal Revenue Bureau throughout the country. It reads as follows:

Dear Mr. Blank—

I do not read the name because naturally I should not like to get anyone in trouble. I can vouch for the accuracy of the letter—

Before leaving the office of commissioner I had intended writing you to express my appreciation of the splendid cooperation you had given me and to assure you of my gratitude for your loyal support. I became so busy, however, that in making the change to this new proposition I could not get to it at that time.

This position is one of great responsibility, but I am hopeful that with the help and advice of my friends I will be able to render a real service to the administration and the Republican Party.

I sincerely hope Mr. Lucas is gratified by the result of his efforts along these lines.

You can not, of course, take an unduly active part in politics—

And how characteristic it is of the man to try to clean his hands in that way—

You can not, of course, take an unduly active part in politics, but you can be a great help to me in keeping me advised of political conditions in your community. You are familiar with the political situation in your county and adjoining counties. If you will write me from time to time, letting me know just what is going on politically, such information will be of great value to me in my work.

I would like for you to fill in the inclosed card and return it to me in the inclosed envelope. This will give me a record of your home address and enable me to communicate with you more directly.

A very businesslike man, this Mr. Lucas, as Senators will observe.

I will appreciate it also if you will inclose a short statement, giving me your ideas of the present campaign and the result you expect in the coming election. When you are in Washington, come in to see me.

With all good wishes and kind personal regards, I am,

Yours very truly,

ROBT. H. LUCAS.

Mr. COUZENS. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Michigan?

Mr. CUTTING. I yield.

Mr. COUZENS. As I understand it, this letter was sent out to all of the employees of the Bureau of Internal Revenue in the field?

Mr. CUTTING. That is my understanding.

Mr. COUZENS. And these men check the income-tax returns of the taxpayers of the United States?

Mr. CUTTING. Exactly so.

Mr. COUZENS. Does not that confirm the view I took some years ago that the Commissioner of Internal Revenue can control the politics of the Nation?

Mr. CUTTING. Absolutely. The position which the Senator from Michigan has taken from the beginning is completely confirmed by this letter from the—I was about to say from the Commissioner of Internal Revenue, but from a man upon whom the employees of the bureau had learned to look as their chief.

Mr. JOHNSON. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from California?

Mr. CUTTING. I yield.

Mr. JOHNSON. May I inquire of the Senator from Michigan and the Senator from New Mexico if the obvious conclusion from what they say is that the internal-revenue collectors of the United States, acting for the department in Washington, through internal-revenue taxation, are endeavoring to or do actually control the politics of the United States?

Mr. CUTTING. I do not wish to draw any conclusions other than those which any Senator is able to draw from the evidence. These employees, of course, are supposed to be technical employees. They are supposed to be men who figure up the income-tax returns. They are not supposed to be political experts and yet this whole letter has to do with political conditions in their communities:

You are familiar with the political situation in your county and adjoining counties.

What does it mean, with all due respect to the Senator from California, if it does not mean something of the sort which he describes?

Mr. JOHNSON. The Senator will pardon me for interrupting what he is saying in this regard, but exactly what it does mean is perfectly obvious to the ordinary man who knows anything about what is transpiring politically. I was only accentuating the position which has been taken by the Senator from Michigan, to make perfectly plain what ought to be obvious—that by virtue of taxation and control of income-tax returns, the politics of the various States and of the Nation are sought to be controlled.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. CUTTING. I do.

Mr. BROOKHART. Is there not another suggestion to add to what the Senator from California just said, and that is in relation to the two or three billion dollars of rebates which have been made after the taxes were paid?

Mr. CUTTING. I think there is no doubt that that element enters into the situation.

Mr. KEAN. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from New Jersey?

Mr. CUTTING. I yield.

Mr. KEAN. I would like to ask whether this same thing did not control the politics of the United States when Mr. Harding was elected, at a time when every officer of the Internal Revenue Bureau and every tax collector was a Democrat?

Mr. BROOKHART. I would like to ask if the Senator considers that a defense of this Republican delinquency?

Mr. KEAN. I do not consider it any defense; but I think it is true that whether they are Democrats or Republicans does not make any difference to the great voters of the country, and that no Internal Revenue Bureau or anyone else can control the free will of the American people.

Mr. CUTTING. I quite agree with the Senator in that respect. I do not believe any Internal Revenue Bureau can

control the will of the American people, but I feel very strongly that this is an attempt by an outgoing head of the Internal Revenue Bureau to do exactly that thing. Whether it was successful or not is entirely outside of the issue. Mr. Lucas, the Republican executive director, attempted to use these revenue experts as political agents, political spies, if one wishes to use that word, in their respective communities to furnish the Republican National Committee with information which they think may be of political benefit. He has them all card indexed; he has their names and addresses, and he feels that he can appeal to them at any time he chooses. That is just one thing in connection with Mr. Lucas that has appeared in the last few days.

Mr. COUZENS. Mr. President, will the Senator yield before he leaves that point?

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Michigan?

Mr. CUTTING. Certainly.

Mr. COUZENS. I think it would be interesting to know where the former Commissioner of Internal Revenue got that list. He obviously must have taken it out of the Internal Revenue Bureau when he left; otherwise he would not have known of all of these people to whom to mail the letter.

Mr. CUTTING. Obviously, the Senator is correct.

In the last few days we have also seen a request made by former Gov. Alfred E. Smith to Mr. Lucas to make an apology for a misquotation which he made of some of Governor Smith's campaign utterances. Mr. Smith denied that he made the utterances.

Mr. President, I have no brief for the late Democratic candidate for the Presidency. I did everything in my humble way that could be done to defeat him for election and to elect his opponent, the present President of the United States. But Governor Smith is as much entitled as any other citizen to a square deal. He is entitled not to be lied about. Now, when he brought up the fact that Mr. Lucas had misquoted him, the only reply was that Mr. Lucas would apologize when Governor Smith stated that he would alter his position on prohibition or something else that had no bearing whatever on the subject.

The memory of the American people and the memory perhaps of some Members of the Senate is rather brief, and therefore I would like to call to their attention again exactly what it was that Mr. Robert H. Lucas did which started all this criticism of him.

In the first place, he used a fake name, the name of one "John M. Feters," whom he has been unable to identify. Although this discussion has been going on for a month no evidence has been forthcoming that there is such a man in the world. Lucas used that name. Some testimony—and if I am incorrect, the Senator from North Dakota [Mr. Nye] will correct me—was given that he went to a cabinet and picked out a card with the name of Mr. Feters on it. If so, it may be that Mr. Feters's name was in his card index of the Revenue Bureau employees, or it may be that it was from some other card index which he may have kept for the purpose of having a number of names in the nature of alibis which he could use in case of necessity for such use. At any rate, Mr. Lucas is unable to identify Mr. Feters, and nobody else has been able to identify him. He used the name of Feters to send out this propaganda.

He sent out a false quotation from Governor Smith, and he accompanied it with a cartoon which misinterpreted the misquotation from Mr. Smith to imply that Mr. Smith was an advocate of the open saloon. He sent that cartoon out in order to elect a wet and defeat a dry. So much for the cartoon.

Mr. President, at the same time Mr. Lucas circulated another piece of publicity, of which I exhibit a copy. It purports to be a letter from somebody named J. M. O'Shea, which Mr. Lucas claims he was sending to Democrats in the State of Nebraska. Mr. J. M. O'Shea—and again I pause for correction if I am in error—has not so far been identified by anyone. Nobody in all the discussion has been able to prove that there is any such man as J. M. O'Shea in any position of this kind.

The purported letter is headed—

1932 Democratic Victory Scouts.

So far, nobody has identified any such organization—

1932 Democratic Victory Scouts, New York City.

That is the address at the head of the letter, and it will be observed later on that the man who wrote the letter is supposed to be asking for an answer from all those to whom the letter was sent. Does anyone think that an answer could be received at such an address as "1932 Democratic Victory Scouts, New York City"?—

October 1, 1930—

The name of the addressee has been erased—

OMAHA, NEBR.

DEAR SIR: I am taking the liberty of writing you, as a fellow Democrat, on the assurance of a friend, who furnished your name, that I may do so in confidence.

Apparently the friend's advice was not very valuable, because the confidence was violated and this letter was directed through some channel or other to Mr. Lucas:

Senator NORRIS has represented your State in the United States Senate with great credit. He has seldom opposed our program—

That is the program of the "1932 Democratic Victory Scouts," whatever their program may be.

He has kept up the fight in the Senate. He has rendered valuable assistance in bringing about the present political situation which gives us a splendid chance to control the next Congress.

I do not know whether the "1932 Democratic Victory Scouts" are in control of the next Congress or not, but I leave that to those who are better informed.

Senator NORRIS's support of Governor Smith in 1928 was at a great sacrifice to himself, endangering his political career. But with our assistance he will come through safely.

Hitchcock may profess to be with us now, but we can not depend upon him in 1932.

In other words, they can depend upon the Senator from Nebraska to aid them in 1932, and this is the way he can aid them, as mentioned in the next sentence:

We will need Nebraska's delegates in the next Democratic convention if we are to retain party control.

In other words, the Senator from Nebraska, controlling the Nebraska Democratic delegation, will go into the National Democratic Convention and support the program laid down by the "1932 Democratic Victory Scouts."

But aside from that—

Says the letter—

Senator NORRIS has proven himself to be our friend. He has stood the test as few men have. In ordinary gratitude, therefore, our Democratic friends in Nebraska will and should support him.

May we count on you?

Yours very sincerely,

J. M. O'SHEA, Manager.

I submit to the Members of the Senate and to any fair-minded citizen that nobody in his right senses could think that that letter had actually been sent to anybody by anyone in an official position or any other kind of responsible position. The letter asks whether or not the author may count on those to whom it is sent. He gives no address outside of the vague "1932 Democratic Victory Scouts, New York City." He states, in almost every sentence, things which everybody knows to be utterly untrue. What would any decent man do on receiving a purported letter of that kind? Would he not at least make some investigation? The director of the Republican National Committee made none.

Compare the vagueness of this letter with the very specific direction which Mr. Lucas himself laid down as applying to the employees of the Bureau of Internal Revenue when he asked them for information. Yet when he saw this letter he felt no doubts, but sent it out to Nebraska at his own expense; and this is the heading he put on it—

This is the kind of appeal coming from New York from Tammany for NORRIS.

There is not a word about Tammany in even this fake letter. Tammany is introduced for the first time in the headline.

This is the kind of appeal coming from New York from Tammany for NORRIS.

Down below it says:

Can you beat it? You certainly can on November 4, by voting for Hitchcock for Senator.

Of course, Mr. President, Mr. Lucas did not think for a moment that that was a genuine letter; he did not even claim on the stand that he thought it was a genuine letter. He said he did not care whether it was genuine or not, that that did not make any difference. He thought he would distribute it just the same. When a man makes a statement of that kind, I conceive there is nothing else that he may say on that or on any other question worthy of a moment's consideration.

Mr. WALSH of Montana. Mr. President—

Mr. CUTTING. I yield to the Senator from Montana.

Mr. WALSH of Montana. I inquire of the Senator from New Mexico where Lucas purported to have procured the letter?

Mr. CUTTING. As I remember the testimony, with which the Senator from North Dakota is much more familiar than am I, he said he procured it from a letter signed by John M. Fetters, whose identity he did not know, but, as he received the letter, he thought the best thing to do was to circulate it.

Mr. WALSH of Montana. Did he himself admit having drafted the letter?

Mr. CUTTING. No; he did not admit anything like that.

Mr. WALSH of Montana. Is there any other conclusion, however, to be derived from the incident?

Mr. CUTTING. Well, Mr. President, I should say that was a possible conclusion. At any rate, if he did not concoct that letter himself it was concocted by somebody else within a radius of about 2 miles from the place in which we are at present. I can not see any other conclusion than that.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. CUTTING. I yield.

Mr. WHEELER. As I understood the Senator, he is of the opinion that it is merely a forged signature that is attached to the letter, and that Mr. Lucas has either forged it or connived in the forging and circulation of a forged letter?

Mr. CUTTING. Well, Mr. President, I think it is obviously a fake letter. I would not accuse Mr. Lucas of forging the signature or even conniving in the forgery, but if he did not do either one of those things he is certainly the least intelligent man who ever directed the affairs of a political party, because he claims that he thought that this letter might be genuine, and no man with ordinary sense could for a moment believe that such a letter as that was genuine.

Now as to the money which was used in Nebraska. Mr. Lucas claimed that it was his own money; that he had borrowed it from a bank here in Washington and that the security for the loan was money of the Republican National Committee deposited in the same bank. I leave to banking experts the question of deciding whether it was proper to use trust funds of the Republican National Committee to secure what Mr. Lucas claims is a purely personal loan. I do not know that there is much question about it, because Mr. Nutt, the treasurer of the Republican National Committee, went on the stand and himself testified that Mr. Lucas had exceeded his authority in pledging National Republican Committee funds for such a purpose. That was the story he told.

When this thing came to light, by complete accident, so far as Mr. Lucas is concerned—for the revelation was totally unexpected by him—when the evidence was so strong against him that he could not deny it, he went on the stand and gloried in it. He then issued a statement to the press stating that he had taken such action because

the Senator from Nebraska was not a good Republican. I do not care to deal with the issue of Senator NORRIS and his Republicanism, because I have already discussed it at considerable length; but the point I want to emphasize now is the use by Mr. Lucas of the Republican National Committee to carry on his personal fight against the Senator from Nebraska.

On December 24 Mr. Lucas sent out a letter to all the precinct leaders in this great country which on the last page contains Mr. Lucas's letter denouncing the Senator from Nebraska as a bad Republican.

I suppose that this letter was paid for by the Republican National Committee, and yet I do not see how that could be when Mr. Lucas himself went on the stand and said that it would have been improper for the national committee to have paid the expenses of the fight that he waged against the Senator from Nebraska in the 1930 campaign. Yet here it is. It was sent to every Republican precinct leader in the United States. It is headed—

From the executive director to the precinct leader.

It is a little lengthy, but I should like to take the time to read it to the Senate, because there is so much in it that is really of vital importance in one's estimate of what is going on in this country at the present time. The letter concerning Senator NORRIS appears on the fourth page of this pamphlet. The other pages read as follows:

From the executive director to the precinct leader.

I omit the entire letterhead, which, however, begins:

Republican National Committee. Chairman, SIMEON D. FESS; executive director, Robert H. Lucas.

I am very sorry, however, that the chairman of the Republican National Committee is not in his usual seat, because he might have something very valuable to contribute to this discussion. At any rate his name is on this paper and so is the name of Mr. Lucas. It goes on as follows:

I want to thank you sincerely, on behalf of the Republican National Committee, for your splendid assistance and cooperation in behalf of the Grand Old Party in the last campaign. The precinct organization is the foundation stone of the party. The precinct leader holds a position of tremendous importance in the party organization. The national committee has a genuine appreciation of the helpful service you have given the Republican Party.

While the Republican Party lost a number of congressional districts, we do not concede anything more than the usual off-year losses, accentuated to some extent by the business depression and unemployment. In the off-year election of 1922 we lost 75 congressional seats. In this off-year election we lost only 51. In the presidential election of 1924 we carried the country with an impressive majority. In the presidential election of 1932 we shall do likewise.

The Democratic claim of a landslide is pure propaganda. It is based upon the results in such States as Massachusetts, Ohio, New York, Illinois, South Dakota, and Minnesota. Yet, on a total vote in the congressional races, Republicans carried Massachusetts by more than 100,000 majority. We carried Ohio by more than 44,000 majority. New York was lost by a comparatively narrow margin, but Illinois gave a substantial majority for the Republican candidates in the congressional races. In South Dakota Republican candidates for Congress received 50,000 more votes than the Democrats. In Minnesota our congressional vote was 347,000 in excess of that received by the Democratic candidates.

The fact of the matter is, to be able to elect a Republican majority to Congress in the face of the most unusual adverse conditions which confronted us in the recent campaign, is, in reality, a great victory for the Republican Party. It is an evidence of the strength of the Republican administration with the people and, above all, a demonstration of the courage and loyalty of the Republican organization.

This is from the great political expert who has been put in charge of the destinies of the Republican Party.

President Hoover, experienced in ways of business and expert in handling big things, in spite of the world-wide depression and unemployment, has sustained the American scale of wages—maintained the American standard of living—prevented a nation-wide money panic, and kept thousands of men and women at work in every community who would have otherwise been listed among the unemployed. But for the wise and able leadership of President Hoover when the crisis came a disastrous panic would have surely followed.

Mr. WHEELER. Mr. President—

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. CUTTING. I should prefer, if the Senator does not mind, to finish reading this letter.

Mr. WHEELER. I merely want to inquire with reference to one paragraph, and ask the Senator if he can point out some community of the United States where the President's actions have kept up the wages of the laborers and kept anybody at work?

Mr. CUTTING. The Senator from New Mexico is unable to do so.

The past year, however, has disclosed a well-laid plan by the Democrats to embarrass the Republican administration and to discredit the President of the United States. And there has been no let-up in Raskob's "smear Hoover" campaign. To win in 1932 the Democrats must destroy the Republican leader. By subtle innuendo and insidious propaganda, which is being carried on by Raskob's organization in every community in the United States, they hope to break down the people's confidence in Herbert Hoover and thereby elect a Democrat in 1932.

Will Republicans stand by and permit this thing to go on? Not if they know about it. Our people must be aroused to the situation! Precinct organizations must be encouraged to carry on the fight! For only through the precinct organizations can we combat the Democratic assault. The Raskob plot must be exposed and killed! The Republicans must take the offensive and wage an aggressive campaign against this propaganda! Those of us holding positions of leadership in the Republican organization are looked to to lead the fight. That is our job and it will be done.

As precinct leader you can give great assistance to your party and your administration if you will keep your precinct organization active throughout the year. Talk to your neighbors! Stand up for your party! Defend the President! Keep the truth before the people! We are looking to you to protect the Republican Party in your precinct.

The national committee will carry on an aggressive, active, determined campaign from this day until the polls close in 1932. With your assistance—your advice—your cooperation in building up the Republican organization and keeping the truth before the people victory will be ours.

With the compliments of the season and all good wishes, I am,

Yours very sincerely,

ROBERT H. LUCAS,
Executive Director.

This letter was written on December 24.

On the third page of this immortal pamphlet is a picture of Lincoln; and the document goes on as follows:

LINCOLN'S BIRTHDAY

REPUBLICAN NATIONAL COMMITTEE,
Washington, D. C.

On the evening of February 12, 1931, the Republicans of the Nation will meet in their respective localities to honor the name of Lincoln, to reaffirm their faith in the principles for which he lived, and to renew their devotion to the Republican Party for which he died.

At 10 o'clock p. m., eastern standard time, President Hoover will deliver an address on Lincoln over a nation-wide radio hook-up. The President's speech will be made at the desk at which Lincoln sat as he directed the destiny of the Nation 65 years ago.

President Hoover's speech by radio will be made the principal address of each of the many Lincoln memorial meetings to be held throughout the country. Such a meeting should be arranged for your county by your local organization.

There is magic in the name of Lincoln—his life an inspiration—his memory a shrine at which we may rededicate ourselves to the Republic he saved. The coming together of Republicans under these auspices will surely reinforce the party spirit and fire anew our enthusiasm for the task ahead of us.

May I ask your cooperation in bringing together your Republican friends and neighbors on this great occasion?

Very sincerely yours,

ROBT. H. LUCAS, Executive Director.

Mr. President, so far as may be in my power, I wish to indorse the appeal made by Mr. Lucas that everyone should get together on Lincoln's birthday and do honor to his memory. I hope that the President of the United States, in the great address which he is going to deliver on that occasion, may quote such statements of Lincoln as this:

I stand with anybody that stands right. I stand with him while he is right, and I part with him when he goes wrong.

Perhaps the President will also quote a statement of this sort, which is characteristic of many of Lincoln's remarks:

I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war, corporations have been enthroned, and an era of corruption in high places will follow. The money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands, and the Republic is destroyed. I feel at this moment more

anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless!

That is what Lincoln said a few days before he was assassinated. Does it read to the Senate like the utterances of Robert H. Lucas? Does it read like the utterances of the present President of the United States? Does it not read a little more like the utterances of the Senator from Nebraska [Mr. NORRIS], who is now being drummed out of the party as an untrue Republican and unfaithful to the memory of Lincoln?

I should like to call the particular attention of the Senate to that statement of Lincoln's, however. It seems to me very pertinent to this discussion:

I stand with anybody that stands right. I stand with him while he is right, and I part with him when he goes wrong.

Lincoln did not say, "I stand with him while he is right, and if he goes wrong the White House refuses to take any part in this discussion." He did not say, "I stand with him while he is right, but if he has a fight with somebody else who is wrong I will say that both men should be removed from office, because they are both engaged in bickering." He said:

I stand with anybody that stands right. I stand with him while he is right, and I part with him when he goes wrong.

If that is not good Republican doctrine, it at least was the doctrine of President Lincoln.

Of course, it would be unfair to charge anyone in high office with the concoction of such a letter as this. I certainly condole with the President of the United States that a document which is obviously circulated in order to promote his candidacy for renomination should be signed and endorsed by a man of whom the New York World this morning says:

It is fortunately not often that the annals of American politics chronicle the commission of so many dirty tricks by one man in so short a time.

That is the man who is using the money of the national committee to promote the candidacy for renomination of the President of the United States. I think Mr. Hoover is to be pitied and condoled with that he can not, if he is a candidate, separate his candidacy from a man who, in the last few weeks, has been so completely discredited and disowned by the decent element of his own party.

Is that a proper use of the national committee? The national committee is an agency of the Republican voters. It is not a committee designed to lay down laws to the voters.

I want to call the attention of the Senate to another matter, less flagrant perhaps, but bringing out the same point. I am sorry to do it in the absence of the Senator from Ohio [Mr. FESS], the chairman of the Republican National Committee, but I had hoped that he would come into the Chamber at some time in the course of my remarks.

It will be remembered that the Senator from Michigan [Mr. COUZENS] a few weeks ago criticized the President's plan of railroad consolidation. Whether the Senator from Michigan was right or not in his criticism is beside the point. The Senator from Michigan gave out his point of view to the press. The Senator from Ohio [Mr. FESS] thereupon replied to the Senator from Michigan; but instead of giving his interview out as an individual through the press he gave it out through the Republican National Committee. Here is the Republican committee release which was sent from the headquarters:

REPUBLICAN NATIONAL COMMITTEE,
BARR BUILDING,
Washington, D. C., December 31, 1930.
IMMEDIATE RELEASE

Senator FESS, of Ohio, chairman of the Republican National Committee, speaking as a member of the Senate Interstate Commerce Committee, replied vigorously to-night to the statement of Senator COUZENS, of Michigan, chairman of that committee, opposing the President's action in facilitating a consolidation plan of four great eastern trunk-line systems.

I shall not read the whole statement, though I ask that it be printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

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BARR BUILDING,
Washington, D. C., December 31, 1930.
IMMEDIATE RELEASE

Senator FESS, of Ohio, chairman of the Republican National Committee, speaking as a member of the Senate Interstate Commerce Committee, replied vigorously to-night to the statement of Senator COUZENS, of Michigan, chairman of that committee, opposing the President's action in facilitating a consolidation plan of four great eastern trunk-line systems. The Senator's statement follows:

"As one member of the Senate Interstate Commerce Committee, I wish to state that Senator COUZENS's publication this morning is unjustified. The President has done an enormous service to the country in securing a forward step in solution of the railway problem, especially in these times when we so sorely need increased stability and enlarged employment.

"In this step the President has directly followed the desire that Congress has expressed in the law—that the railways should initiate consolidation proposals to the Interstate Commerce Commission. He has succeeded where there has been 10 years of failure in what the act of 1920 authorized. He has taken no position on the details of the plan. He has scrupulously stated that 'the plan must be submitted to the Interstate Commerce Commission, who have the independent duty to determine if it meets with every requirement of public interest.'

"Mr. COUZENS, without waiting to hear the full plan or hearing anything as to its values, being himself opposed to consolidations as provided by law, is endeavoring to prevent the Interstate Commerce Commission from exercising its independent functions. He is, in fact, saying that even if you find merit in the plan now proposed you must discard it, because the President took the initial step in requesting the railways to present the plan; that you must discard it to show your independence from the President.

"In other words, the Senator, perhaps without thinking, is directly intimidating the Interstate Commerce Commission in order to carry out his private views, which are opposed to the intent of the law."

Mr. CUTTING. I shall read the last few paragraphs:

Mr. COUZENS, without waiting to hear the full plan or hearing anything as to its values, being himself opposed to consolidations as provided by law, is endeavoring to prevent the Interstate Commerce Commission from exercising its independent functions. He is, in fact, saying that even if you find merit in the plan now proposed you must discard it, because the President took the initial step in requesting the railways to present the plan; that you must discard it to show your independence from the President. In other words, the Senator, perhaps without thinking, is directly intimidating the Interstate Commerce Commission in order to carry out his private views, which are opposed to the intent of the law.

Mr. President, I do not criticize the Senator from Ohio for stating his views publicly in any way that he chooses. I do not think he could have made statements of this sort about the Senator from Michigan on the floor of the Senate without subjecting himself to the rules of the Senate; but he did not make this statement on the floor of the Senate. He made it, as was his right, through the columns of the press. I do, however, deny the right of the Republican National Committee to broadcast and publish the views of any one Republican Senator criticizing another Republican Senator. The Senator from Michigan, Mr. COUZENS, was nominated by the Republican voters of his State and selected by the people of his State, just as was the Senator from Ohio; and he has exactly the same right to have his views circulated by the Republican National Committee that the Senator from Ohio has to have his views thus circulated.

I do not see how anyone can deny that. In view of that, and in view of the Lucas statements, I ask the Members of the Senate seriously to consider, What is the function of a national committee? What is the function of party organizations at all? Are they not merely means to an end? Your party is not an end in itself. It is a way by which the voters can express their wishes. The national committee is clearly the national agency of the Republican voters; and, that being the case, what is this question of party regularity which has been brought up at us continually by Mr. Lucas and his supporters?

Mr. Lucas himself voted the progressive ticket in 1912. Mr. Hoover came out with a Democratic appeal in 1918. The Senator from Nebraska [Mr. NORRIS] supported the Democratic candidate in 1928. What is the difference? One was in 1912 and one was in 1918 and another was in 1928. Mr.

Lucas says we can not go back into past history. So far as this election was concerned, 1928 was just as much past history as 1918 or 1912. The only thing that had to be decided was the election of 1930, in which, in the primary campaign, the Republican voters of Nebraska decided that Mr. Norris was their candidate for the United States Senate.

Mr. President, the question was asked Mr. Lucas when he was on the stand claiming that the Senator from Nebraska was not a good Republican, "What is a Republican?" What did he answer? We might think he would have answered that a Republican is a man who believes in centralized government, or in strong federalization against the rights of States, or in a protective tariff, or in nationalism.

He made no such answer at all. His answer was, "A Republican is a man who votes for Republican candidates."

If anyone had gone farther and asked Mr. Lucas for a definition of Republican candidates, he undoubtedly would have replied, "Republican candidates are candidates who are nominated by Republicans."

There you get the vicious circle. If the Republican Party means nothing except something which can be defined only in terms of itself, then it means very little. Has this party any principles; and if so, what are they?

Does not the same reasoning apply to the party on the other side of the aisle? Can anyone define what a Democrat is except in terms using the word "Democrat"? If that is not so, why should any honest man be asked to violate his conscience and his principles in order to support some particular party organization?

The founders of the country, the fathers of the Constitution, did not contemplate parties. They thought a party was a great evil. They called it in those days a "faction." As the citizens of the United States became factional, as they supported one side or the other of some particular great issue, parties developed, and quite rightly.

It is a useful thing for the country that when a great issue comes up like the issue between Hamilton and Jefferson, like the slavery issue, like half a dozen others which have wracked the country at different times, there should be parties taking up the two sides of the question. But is that so now; and if it is so, why can no one define what a Republican or what a Democrat is except in terms such as Mr. Lucas has used?

It is not so in other countries. Everybody knows what the Conservative Party, what the Liberal Party, what the Labor Party, stand for in England. Everybody knows what each of half a dozen or a dozen groups in the German Reichstag stands for. It is perfectly easy to define. But we can not tell the voters what we stand for except using terms which are archaic and which have no bearing in the present-day situation.

I have seen a great deal in the papers about what are called insurgent Republicans, progressive Republicans, whatever you want to call them. There are Senators on the other side of the aisle who share the views of such Republicans. These men have been criticized for being "obstructionists."

Whatever else this group may be, they are not obstructionists. They have a definite point of view about governmental affairs. Their point of view may be wrong. They may be too weak to accomplish anything. They may be insignificant in numerical strength. They are not obstructionists. They at least have a definite program, the kind of a program on which, if parties were organized in some logical way, a party might at some time in the future be built up.

Yet those are the Senators who, by the present criterion of the Republican National Committee, are to be read out of their party because they are not loyal; because they are not good Republicans.

I submit that it is not a source of pride to the people of the United States that their parties are divided along lines which mean nothing with respect to national issues. So long, however, as the parties are drawn up along those lines there is only one criterion as to whether a man is a Republican or a Democrat, or a member of any other party, and

that is the decision made by the voters; by the rank and file of his own party at the primaries. That is the test which Mr. Lucas fails to see; which the distinguished senior Senator from Ohio [Mr. Fess], the chairman of the Republican National Committee, fails to see.

I do not blame the Senator from Ohio for the troubles of his party. He is merely the titular chairman. The actual executive director was not selected by him but by the members of the committee. But I do feel that in common regard to the rank and file of the Republican Party, to the honest men and women who vote the party ticket, who were not responsible for the disgraceful acts committed by the national committee in the last few months, the Senator from Ohio, merely, if you like, as titular chairman, owes it to his party to take a firm stand on this absolutely clear case between right and wrong.

I think that the members of the party who stand in higher places than the Senator from Ohio, who hold more actual party power, who have never repudiated Mr. Lucas, who have never repudiated his methods, owe it to themselves and to their reputation in history to take a stand as between right and wrong.

As Lincoln said, I stand with anybody who stands right; I stand with him while he is right; and I part from him when he goes wrong. Can anyone interested in his party allow this sort of thing to go on without rebuke and without criticism? It is not a question of Mr. Lucas. Mr. Lucas is merely an infinitesimal issue over which this basic problem has arisen. I do not care whether Mr. Lucas spends the rest of this life in the employ of the Republican National Committee or not. I do care, and I consider that it is entirely vital, that the Republican Party, through the men who are actually in power, who actually control the party organization, should repudiate these disgraceful and outrageous methods which Mr. Lucas has practiced and publicly indorsed.

MESSAGE OF GOVERNOR LA FOLLETTE TO WISCONSIN LEGISLATURE

Mr. BLAINE. Mr. President, I present and ask leave to have published in the RECORD the message delivered on yesterday by Gov. Philip F. La Follette to the Legislature of Wisconsin.

There being no objection, Governor La Follette's message was ordered to be printed in the RECORD, as follows:

Fellow citizens of the legislature, 37 years ago Frederick Jackson Turner, of the University of Wisconsin, gave a new interpretation to American history. He recorded the fact that both the character and conduct of our democracy and of our institutions had been determined by the frontier. He noted that the census of 1890 revealed the practical disappearance of that frontier. He predicted that the absence of a frontier would affect the American future as profoundly as the existence of a frontier had affected the American past.

All this has a very direct and practical bearing upon the problems we are about to face in this legislative session. In our day, as in the days of our pioneer fathers, the goal of socially sound politics is the guaranty of freedom and opportunity. In the days of our pioneer fathers the free lands of the frontier gave this guaranty of freedom and opportunity. If the door of opportunity was closed to men in the East, it was open to them in the West. The frontier was thus a kind of social safety valve. Men do not take naturally to destructive revolt. They would rather move to a new opportunity than make war on an old oppression. And as long as the frontier existed, men were free to bundle their families into covered wagons and move West to a new freedom and a new opportunity. But in one respect the frontier was a liability as well as an asset. For as long as this freedom of movement to new opportunity existed, neither the leaders nor the people were under the pressure of necessity to keep the political, social, and economic processes of American life progressively adapted to changing needs and changing conditions. But in 1890, as Turner suggested, the free lands of the frontier were reaching exhaustion. And the end of free lands meant, to an important degree, the end of free movement to new opportunity.

To-day, if we find our freedom restricted and our opportunity denied, we can not seek a new freedom and a new opportunity by running away from these restrictions and denials into some new territory. We must find our freedom and make our opportunity through wise and courageous readjustments of the political and economic order of State and Nation to the changed needs and changed conditions of our time.

Wisconsin, more promptly than any other State, saw what the passing of the frontier meant for her people. About the time Turner was writing his pamphlet, Wisconsin was the scene of an organized political effort to reinterpret and to make again effective the ideals of the older America in terms of the changing conditions.

In Wisconsin, pioneer lumbering, the old agriculture, and local trade were giving way to an industry and an agriculture dependent upon wider markets, the corporate organization of business, and to an economic life generally that was increasingly marked by complex and indirect relationships. A new kind of society was in the making. And in this new society the railroad corporation was a dominant force. It exerted a decisive influence over farmer and business man through its power to fix the costs and services of transportation. And, to preserve its decisive influence in the economic life of the State, it sought, and successfully sought, to dominate the political life of the State. The full burden of industrial accidents incident to the development of industry was then falling upon the industrial worker. These and a score of other changes I need not here rehearse marked the new society that was in the making.

The old guaranty of freedom and opportunity that the frontier gave was gone. The new society that was arising was the product of an unguided economic change. It was not a carefully planned change, with the planners deliberately devising a social and economic order in which the rights of the individual would be protected and the interests of the individual promoted. The individual citizen of Wisconsin was finding his freedom and opportunity increasingly hampered by impersonal processes which he found hard to understand and seemingly impossible to control.

The effort of this new political movement in Wisconsin was to find a new equivalent for the old opportunities offered by the frontier. As we look back upon this movement, we see it as an attempt to re-create an equality of opportunity that had been lost sight of in the society that was arising. The public agencies established by this political movement were but added arms of the workshop, the farm, and the home, extended to protect the men, women, and children of Wisconsin from the insecurity and injustice that follow unguided economic change.

For 30 years this new political movement, to which the name Progressive has been given, has been an active force in the life of Wisconsin, either carrying the responsibility of administration or exercising the equally important duty of critical opposition. In the recent election, we who to-day represent this movement were given a mandate to bring its philosophy and its program to bear upon the problems that now confront this Commonwealth. It is my duty to place before you the views of the chief executive officer of the State regarding the application of the program we are pledged to initiate.

To-day some of the material effects of the great World War are becoming clearer to us. Four years of destruction and hatred have brought their delayed revenge. These effects have long been felt in Europe. Ancient dynasties have fallen, leaving representative institutions reeling under successive shocks that jar every individual and every institution. Although some of our national leaders attempted to assure us that we had reached a new permanent and unassailable level, those predictions have proved false. The collapse of a hectic speculation has left us disillusioned. Have we, from our 40 years of experience, any wisdom to contribute, or is our message obsolete?

Let us be frank. The premises on which in the past our program has been based are now fiercely assailed from two extremes. Often these extremes are identical, despite their common antagonism. From one comes the assurance that the rôle of the individual is ended; that a bankrupt social system must inevitably pass into the receivership of a class dictatorship to be discharged in an unspecified Utopia. From the other extreme comes an equally absolute assurance of the failure of democracy. The superior man, it is argued, must be given absolute power; representative institutions are corrupt and time wasting. There are some in our own country who find this superman in a section, narrowly defined, of the very rich. Let the Congress and the legislatures adjourn, they argue, and this little group which two years ago was assuring us of permanent prosperity will solve our problems.

These views, in some form, are held by those in power in several countries in the world to-day. They are held by large numbers of people in every political community. There is belief in direct action as a short cut to the solution of social issues. There is confidence in the guidance of that direct action by a small, arrogant, and self-selected group. These notions are found in their crude expression in the lynching mob. In a refined form, they are expressed in a confidence in the all-embracing wisdom of the worldly successful.

The question that we as a responsible Government must answer is: Can society direct, with reasonable wisdom and justice, the activities through which it secures its livelihood, comfort, and enjoyment? Can Wisconsin do this through enlightened economic leadership and through popular government based upon careful research, wise counsel, and decisive action?

We shall answer this question not by what we say but by what we do. To those who believe in a society in which freedom and opportunity and security for the individual have a place, I can not overemphasize what our failure to discharge the responsibility now upon us might mean. Unless we solve our problems through the peaceful processes of intelligent economic leadership and responsible government, forces beyond our control will inevitably attempt to solve them by some form of direct action.

The chain and monopolistic developments in banking, distribution, and the denial of opportunity for a decent and assured standard of living for the farmer and industrial worker are depriving our citizens of equality of opportunity.

Under present conditions, access to certain fundamental resources and services is essential for opportunity and freedom. Among these essentials are credit, mechanical power, substantial

equality of bargaining power, education, and a government through which social problems beyond the control of the individual can and will be met and mastered.

In past years Wisconsin widened the opportunity of the frontier farmer. Wisconsin lessened the burden of the costs of industrial accidents upon the wage earner and the enlightened employer. Wisconsin insisted upon principles in the fixing of transportation rates common to all users.

To-day we can not mark time when new forms of credit control, new forms of power development and distribution, and new forms of corporate organization are almost daily bringing economic dislocations.

New agencies and new policies established in this State in the first decade of the century which were fiercely assailed as invasions of individual rights are now seen to be essential to sound business and industrial development as well as to the protection and freedom of opportunity for the individual. When many of these new agencies and new policies were established it was predicted that they would drive industry from the State. Almost every one of these agencies and policies, however, have since been widely copied in other States, and their principles incorporated into the structure and management of the Nation's greatest industries. Our own industrial growth is outstanding. Our financial position, free from bonded debt, is to-day stronger than that of States which have been reluctant to grapple with the problem of taxation. Through setting a proper standard in regulating the issuance of securities we protect the savings and investments of our people so far as lies within the power of the State. We hold here that the wealth of society is greater and industrial development best insured when the widest opportunity for all is positively promoted by public action than when the development of great fortunes is favored in the hope that that prosperity may trickle down from them to the mass of people.

Before proceeding to a detailed discussion of legislation on problems I want to speak briefly of certain changes in political procedure that seem essential to a sounder functioning of Wisconsin's government.

If popular government is to provide a satisfactory alternative to dictatorship or direct action, the procedure by which it makes and administers policy must, I suggest, be marked by four distinct steps, namely: First, it requires ample consultation and study among representatives of the groups affected. Second, from such consultation the resulting program must be presented to the legislature by some group ready to assume responsibility for its advocacy. Third, ample opportunity for legislative criticism and study must be insured. Finally, continuing oversight of its administration by responsible representatives of the public must be maintained.

There are natural differences of opinion among individuals and groups concerning matters of policy. I do not believe, however, that we disagree upon the need for proceeding to the consideration of the policies with expedition. I recommend that we provide machinery to continue and simplify the arrangement already begun whereby the responsible executive and legislative leaders may present at the beginning of the legislative session specific and detailed proposals for legislation on any major question of State policy.

I am not referring in this consideration to those details of legislation designed to perfect existing laws.

I have in mind proposals involving major changes in basic social and economic policy. Such legislation, of far-reaching consequences, obviously should not be proposed except as the result of careful research, full consultation with all interests it would affect, and meticulous draftsmanship. Such legislation should not be proposed unless and until some group is prepared to underwrite its soundness and urge its passage.

This plan should enable the legislature to proceed to an immediate consideration of definite measures. Preliminary committee work on these measures would have been instituted prior to the commencement of the session. From the first day of the session the legislature as a whole could consider the basic policies involved in each proposal and could accept, reject, or alter them in the light of a comprehensive program.

This procedure emphasizes the importance of the advance work to be done by committees prior to the convening of the legislature. During recent weeks I have been in consultation with many members of this legislature as well as committees representative of important social and economic interests of the State of Wisconsin. This is a practice which I believe should underlie the relationship between the executive, the legislature, and the citizens of the State.

One theory of American government has been so interpreted at times as to isolate the executive from the legislative branch. But a shrewd observer of government, Walter Bagehot, once wrote that "Administration includes legislation, for it is concerned with the farseeing regulation of future conduct as well as with the limited management of the present." It is equally true that legislation includes administration, through the concrete application of general legislative enactments. If we examine the adoption of important and fundamental policies in the history of American government we find that joint effort of legislative, executive, and representative leadership outside the Government secures permanent results. A narrow interpretation of the separation of powers has too often invited weak and irresponsible government. A legislative opposition, anxious to avoid responsibility for creative effort, has often been matched with a petulant and arbitrary executive. Under these conditions the public business is neglected and public apathy follows.

In order to avoid these evils a powerful movement has developed in the past 15 years. It has taken the form of a great increase in the discretionary powers of executive officers. This is due in part to the changed nature of governmental functions. Highly technical questions of health and labor standards require specific definition by experienced administrators. General policies for the regulation of utilities, determined by legislatures, must be applied to concrete cases.

But I doubt the wisdom of attempting to solve the fundamental question of responsibility for determining policy by an uncritical acceptance of this tendency. We can apply to this problem a principle fundamental to our traditions in this State—the principle of joint cooperation. I urge a continuing relationship of this leadership, official and unofficial, in the study of our problems, the preparation of programs, and the supervision over the administration of the resulting legislation. The expansion of administrative discretion, as recently discussed by the chief justice of our supreme court, has raised serious problems of judicial protection of the rights of the citizen. It has raised equally serious problems of legislative-executive relationship.

I have two recommendations to make as an alternative to the blind acceptance of this tendency:

First, legislation providing for the calling together of legislative committees for periods of time when the legislature is not in session, for the consideration of specific problems. When so engaged upon the business of the State, the members should be paid their actual expenses. It would thus be possible, during the extended period when the legislature is not in session, for a more carefully planned program to be prepared. Thus the administration of policy could be observed closely by those through whom it had been originally enacted.

Second, legislation providing for the appointment of an executive council of not more than 20 members, to serve without compensation other than actual expenses. One half of this council should be members of the legislature named by and responsible to it. The remaining members should be appointed by and responsible to the executive. It should be given ample powers of inquiry.

These proposals would, in my judgment, give a better opportunity for the continuous review of the activities of government in this State. They offer us a safeguard against hasty, arbitrary, and ill-informed developments of policy. They are an alternative to the drift toward extending arbitrary powers to the governor and the executive branch of government without some compensating controls. I agree that a governor must be held responsible for his actions as chief executive. I do not agree, however, that he should attempt to dictate, in isolation, the general policy of the political group in power. No one man has sufficient wisdom to diagnose the needs of the State. In the exercise of the extensive semijudicial and semilegislative powers necessarily given to administrative authorities, a continuing study of their trends and effects by both official and unofficial leadership is now essential.

But there is a second reason behind these recommendations. It relates to the opportunity for including, on the executive council, of spokesmen for agriculture, manufacture, commerce, finance, labor, and similar basic interests in the State. A generation ago America entered upon a period of scientific research which has yielded undreamed-of productivity of goods and services. The movement has been extended into national and regional organizations of industries which have cooperated in research and established standard practices and methods.

The economic situation to-day requires a further step. We must mobilize for the solution of the critical problem of distribution, the ability and experience which have perfected our machinery of production. In the midst of plenty, great sections of our population are suffering. The individual progress of one industry may have no relationship to another; the use of natural resources, the need for integrating transportation facilities, the development of public-works programs all need planning in common.

It is possible for us to inaugurate for Wisconsin the first steps toward a planned development, to be achieved by the free cooperation of individuals and groups with the government of the State. No one section or member of the community is all-sufficient for this task. Our institutions of government should be designed to facilitate this taking of common counsel. In the conferences which have already been held with many groups in recent weeks, there has been generous response from representatives of many interests. We may yet turn our present economic difficulties to some permanent achievement if we establish a continuing practice of this kind.

The structure of government, however effectively organized, must rest upon a broad basis of popular consent. It is possible for a political group in local or State office over a long period to acquire vested interests in the government which the ordinary methods of election can not overcome. It should be equally possible in such emergencies for the citizens to apply some extraordinary methods for dealing with this situation. This would prevent that sense of frustration or indifference which leads to a regular practice of law violation or direct action. I recommend as a prevention of this amendment of the constitution of the State to provide for the use, subject to desirable restrictions, of a means whereby legislation desired by large sections of the voters can be directly initiated for action by the legislature or by direct popular ratification; and a means whereby legislation enacted against the opposition of substantial groups of voters may be subjected, before finally taking effect, to submission to the voters of the State.

We can not be certain, in the decades to come, of the developments in governmental structure necessary for meeting new prob-

lems. Without some ultimate armory from which constitutional weapons may be taken, we may be seriously handicapped. It is unnecessary to point out how much our difficulties in the enforcement of the eighteenth amendment are due to the constitutional tangles in which the question of the measurement of public opinion is involved.

Wisconsin has had an election system in which any responsible citizen may seek public office. But in a rapidly changing society our laws must be dynamic, not static, or else they invite evasion by out-of-date provisions. Proposals for modernizing our corrupt practices act in the fixing of the amounts and objects of expenditures for political purposes are ready for your consideration. These changes are designed to require candidates to accept responsibility for the action of those who participate in campaigns on their behalf. Another measure which is ready for your consideration is a proposed amendment to the election laws which would declare finally elected to an office any candidate receiving a majority of all the votes cast in a primary. This amendment would provide further that where no candidate in a primary receives a majority of all votes cast in the primary the two candidates receiving the largest number of votes, irrespective of party, will be voted upon at the general election. This proposal would make the final election a more genuine and realistic reflection of the political interest of the citizens.

It is inevitable that the new problems of government which confront us should cause a reexamination of governmental structure. When the far-reaching power of fixing tariff rates is given to the National Executive, and new powers of control are vested in governors, it is time to reconsider basic questions of organization. I have set forth here the view that we must find some way for associating the resources in leadership of the whole State in the task of preparing policies and reviewing the operations of government. In addition to this, every avenue must be open to all citizens to participate in the processes of government, subject only to restrictions aimed at securing the responsibility necessary in public office and public action.

In harmony with these views of organization and procedure, I am reserving many important questions for later communications. According to the budget law the recommendations of the executive concerning the administration and financing of the activities of the government of Wisconsin will be set forth in the budget message not later than the 1st of February.

In my judgment the citizens of Wisconsin would prefer to have the executive make concrete proposals, carefully prepared, than deliver here a catalogue of vague if kindly references to many issues. Some of the issues discussed in recent years are now ready for formulation into specific measures. Among these are many aspects of taxation and of public utilities. I am discussing these in the present message, and proposals regarding them are ready for your consideration. The existing economic emergency required giving most time and energy up to the present in the preparation of measures for immediate relief. This task has precedence over all others. Measures dealing with other vital issues will be discussed in later communications, when the detailed preparation of these measures has been completed.

A recent monthly bulletin of the National City Bank of New York states:

"Business has now been declining more than 15 months, and as closely as can be measured has reached a level some 35 per cent below the peak. This equals the severity of any previous decline of the past 50 years."

In Riverside Church, New York City, the Rev. Harry Emerson Fosdick translated these statistics into human terms which we may well consider. He said:

"For sheer agony and desperation of soul, lonely, bitter, and hopeless, this winter is likely to be a heavier season in this land than any winter of the Great War."

"Moreover, while the tragedies of war are dreadful, they are public and picturesque. The whole Nation rises on a high tide of self-sacrifice to face them together, and the names of those who fall are inscribed on honor rolls in the public squares of every village of the land."

"But the tragedies of unemployment are drab as well as dreadful. Men do not go into this battle together, with the thrill of cooperation in a dangerous enterprise. Here they go alone, one at a time, unnoticed and forgotten. Unemployment has no uniforms and no flags, no military crosses and congressional medals, no gold star mothers, no unknown soldiers buried at Arlington amid the plaudits of a Nation."

Wisconsin and this particular legislature must consider permanent remedies for this situation, methods of increasing the purchasing power of the producers on the farm and in the factory, to enable them to buy back the things which they produce.

A sound financial policy requires the establishment of reserves in time of prosperity for meeting capital charges in times of depression. Sound labor policy requires reserves to maintain the living standards and buying power of the worker. These should be utilized in periods of depression to be applied in productive employment that add to our permanent wealth. But first, however, we must deal with the immediate emergency on the basis of this principle. President William Green of the American Federation of Labor very aptly declares:

"Relief, however necessary, is not a constructive remedy. The constructive thing is to furnish employment. Here we must look to the Government to take the initiative. The Government is freer to act to advance a great human purpose than is private business. Labor looks to Federal and State Governments to act quickly in facilitating work or public construction undertakings and in the ordering of Government supplies. Such advancing of

orders would put money into circulation and would give employment to many and indirectly stimulate production in many private industries."

The burden of meeting this situation falls the more heavily on us, because the difficulties have been multiplied by the tragic lack of leadership of the national administration during this entire period. Our national spokesmen claimed to have established a new industrial and social standard. Future generations will be astonished at their deliberate opposition to the most elementary plans for establishing public employment exchanges, adequate records of unemployment, and long-time planning of public works, even after the present crisis had been entered and recognized.

An extensive survey of the possibilities of employment for our citizens on work which will add to the permanent equipment and productivity of our resources has been made. I am convinced that the most immediate practicable method is an emergency highway measure to provide for a grade-crossing abolition program. This would, in effect, concentrate three years of grade-crossing elimination work into the present year and make possible adequate funds for snow removal.

This plan would also open the way to the very earliest possible beginning of the state-wide highway program this spring. A measure making this possible and furnishing work directly to at least 10,000 men, and indirectly to many others, has been prepared carefully at conferences with representatives of the railroad companies involved, the highway commission and many members of both houses of the legislature.

The railroads report, under the rules of the Interstate Commerce Commission, their grade-crossing accidents. The total number of these accidents in Wisconsin in 1928-29 was 478, of which 74 resulted in death; of these deaths, 55 occurred at unprotected crossings, 12 at bell crossings, 2 at flag crossings, and 5 at gate crossings. In 1929-30 there was an increase to 504 accidents, with 75 deaths, of which 50 were at unprotected crossings, 21 at bell crossings, 3 at flag crossings, and 1 at gate crossings. We all appreciate that carelessness and thoughtlessness have their part in these tragedies. But it is also true that here, as in industrial accidents, we are confronted with a tragic by-product of the introduction of technological changes for which we have not yet made provision. This work must be done some time, in any event, to save life. It is only common sense to do it now.

The plans and specifications for this work and a method of financing the program have been prepared. The railroads have voluntarily agreed to bear the same proportion of the cost as at present, and are offered a 3-year period in which to reimburse the State for this telescoping of the work. Your action can put men to work in a few days.

The responsibility for the administration of this program is given in the emergency highway bill to a special unemployment commission. This commission is recommended in order that the work may be expedited. It likewise provides an agency for correlating such other action as may be found necessary to provide constructive emergency relief measures for the unemployed.

In order that there may be no misunderstanding in other States, I emphasize the fact that these measures are to be applied exclusively for persons who have been residents of the State of Wisconsin for at least five years. This bill will provide no work for persons who have not been continuous residents of Wisconsin since 1925.

The present measure is obviously designed for an emergency. The United States is no longer a frontier country. But, unlike Europe, we are an unfinished country. It is ironical that with our capital equipment, our men and women, and our abundant raw materials there should be extensive unemployment. Any emergency work program should therefore apply the wealth which our State possesses to tasks of permanent usefulness; work that must some time be done in making our natural resources available and in perfecting our equipment.

The construction of grade crossings is an adjustment of the right of way of two types of our transportation equipment. It is one of these tasks of permanent utility. We must cooperate through the agencies I have already recommended in devising a comprehensive program embodying a long-time plan for this kind of public housekeeping.

On the old frontier any misfortune or new task which challenged the individual only called forth a greater cooperation of the whole neighborhood. Our present difficulties may restore this tradition of cooperation and friendliness. These may lead us to a balanced well-being for the whole State.

I urge that this measure be passed as speedily as the machinery of the two houses will permit.

Under the provisions of the budget law, I shall take up the question of financial policy, including appropriations, in the special budget message.

There are, however, certain matters relating to taxation and finance which should be acted upon immediately, prior to February 1, in order to avoid loss of revenue to the State and to reconcile the financial structure of the State more completely with the budget law of 1929. Such measures will offer, if acted on now, a program of immediate relief for sections of our State seriously affected. The highway program, with its stimulation of employment for workers, can be financed through an increase in the gasoline tax. This income will also provide funds for tax relief through meeting current interest and retirement payments on highway bonds. This highway bill proposes also to reverse the policy which at times placed a premium on increasing local highway expenditure when grants from the State were made available.

It is not enough to stimulate the employment of town and city workers. We have another challenge in the depressed purchasing power of the farmer. A revival of his town markets will help; and here we must press upon the leaders of our many interests the need for reconsidering the whole question of the proportion of goods and services which agriculture should obtain as a fundamental right. But we can also act immediately to relieve both the farmer and other owners of real estate. The financial provisions of the highway program will help.

In addition to this, we must construct our budget upon sound principles of finance. It is not wise to maintain extravagant surpluses in our treasury. Our trust funds are separate from the general fund and are amply protected; we have no bonded debt; any excessive surplus, loaned out at low interest rates, is only money needlessly taken out of the pockets of individuals and business organizations much better able to use this money to their advantage. All that the State requires in the way of income, including a prudent surplus, should be met by the tax provisions of the statutes. This policy would provide a sound financial structure and procedure for Wisconsin.

In raising the funds necessary for the continuing and special services of our Government we must face honestly the fact that we are also redistributing the income of individual citizens. In this country a large portion of our taxes is secured through a tariff favorable to certain groups at the expense of purchasers of commodities. Other huge sums are raised from owners of real estate. But in our present economic system the most characteristic form of ownership of wealth is represented in the stocks and bonds of corporate organizations. More and more we have come to place some of the costs of public services upon income and inheritance. Many of the political communities which have endeavored to avoid this policy with the object of making themselves havens of refuge for the very rich now find themselves financially embarrassed.

Despite the development of our own financial policy we still raise from 65 to 70 per cent of all the revenue of State and local government from taxes upon tangible property. Seventy per cent of this property is held by farmers and home owners. The property tax falls as heavily upon the man who is burdened with debt as upon the man whose property is free from encumbrance. From one-fifth to one-third of the income of the average farmer is consumed by taxation, although he receives fewer public services for this than most classes in the community. In northern Wisconsin, where this burden is heaviest, 14 counties reported a tax delinquency of over 20 per cent this year, while tax rates in that area of 4, 5, and even 6 per cent are not unknown. A policy which would shift some portion of this crushing burden to those with large incomes, in a measure the product of general economic development and social progress, is more than justified if our economic system is to be broadly based. In the present emergency this relief should be extended immediately.

In keeping with these basic principles I recommend that all dividends, from whatever source derived, be taxed. The tax commission has advised the legislature several times that this should be done. In 1925 the elimination of the other great exemption loophole in our income tax law was accomplished by repealing the personal-property offset. This involved increasing income taxes and decreasing property taxes by \$5,000,000 annually. In the fierce struggle that ensued we were unable to deal at that time with the exemption of dividends for the fear of endangering the then more important question of the repeal of the personal-property offset. The present legislature should eliminate this last great exemption under our income tax law. This should be done promptly if its effects are to be felt in reducing property taxes at this time.

An income tax should be a tax levied upon the individual's entire income, from whatever source derived. Plausible and ingenious pleas can be made for almost any kind of exemption from income taxation. If granted, these various exemptions would leave us in the present plight of the Federal Government. The Federal income tax to-day possesses an unbelievably complicated assortment of loopholes and refunds. The result is a higher rate of income tax for many individuals and corporations than is proportionately justified. By eliminating these features in our own income tax law we can prevent sudden and drastic increases which are injurious to business. If the legislature eliminates dividend exemption it will be in a position to deal more comprehensively with any proposed changes in the tax system of the State.

The 1925 legislature gave authority to the tax commission to go back 10 years in seeking out underpayments of income taxes. The 1927 legislature reduced this period from 10 years to 3 years. At the present time the records of the tax commission show that the tax returns of 2,000 corporations are in urgent need of investigation. During the years from 1920 to 1930, inclusive, the commission has expended \$951,000 in auditing back income-tax returns. As a result, \$16,933,000 of additional taxes have been paid into the State treasury. Since the auditing of back taxes has yielded such very high returns in the past, and since there is danger that a number of taxpayers have escaped paying their share of the tax burden, I recommend that this period be extended to six years. This should be done immediately to enable the tax commission to accomplish its work within a 3-year period. Thereafter the income-tax payers need not be inconvenienced by inquiries going back over a long period of time.

The present provision for taxing domestic life-insurance companies upon 3¼ per cent of their gross income should be changed to 3½ per cent in order to affect the next property levy favorably.

However, it will be necessary for the legislature to act promptly in this matter, since domestic life-insurance companies are licensed by the State on March 1.

The interim committee on fire insurance has recommended that the reciprocal clause as it affects fire-insurance companies should be repealed. According to the insurance department, this repeal will increase the revenues to the State by \$250,000 annually. Here, again, fire-insurance company licenses are issued March 1, and the legislature should act promptly to effect this repeal, so that the property taxpayer may be benefited as soon as possible.

I recommend the repeal of the reciprocal inheritance tax law, which deprives the State treasury each year of a considerable sum of inheritance taxes. Enactment of this measure was a backward step, and it should be retracted. In view of the present financial condition of the farmer, worker, and small business man, this is no time for reduction of the share to be paid by great estates.

The emergency highway and taxation measures heretofore discussed would, if adopted, provide funds for emergency employment on productive enterprises, as well as emergency relief for the tax burden of the farmer and home owner.

I have stated that chain and monopolistic development in banking and distribution, unemployment, taxation, and new forms of power development and distribution deprive the people of Wisconsin of the economic opportunity and freedom to which they are entitled. Unless we adopt effective and constructive remedies we will fall in our responsibility to the people of this State. Measures dealing with each of these vital questions will be presented for your consideration, and they will be fully discussed in later communications from the executive.

Specific measures are now prepared for your immediate consideration relating to power. I shall therefore discuss this important problem in this message.

On April 12, 1905, the then Governor of Wisconsin, in a special message to the legislature, made the following statement:

"Probably not more than half a dozen States in the Union are so abundantly supplied with natural water power as Wisconsin, and no State in the Middle West is comparable to it in this respect. . . . Our navigable streams and rivers, like our streets and highways, are open to the free use of the people of the State. . . . The vast amount of power which these waters produce is a resource of a public nature, in the advantage and benefit of which the public should participate.

"Modern industrial development is making rapid progress. Already these water powers are extensively employed to generate electricity. The transmission of this power over considerable distances is successfully accomplished with little loss. It will, in the near future, be more widely distributed at a constantly diminishing cost. In manufacturing, in electric lighting in cities and towns and in the country, in operating street and interurban cars for the transportation of passengers and freight, and in furnishing motive power for the factory and farm, electricity will eventually become of great importance in the industrial life of the Commonwealth.

"It is, therefore, quite apparent that these water powers are no longer to be regarded simply as of local importance. They are of industrial and commercial interest to every community in the State. Whether it be located in the immediate neighborhood of a water power will, in time, make little or no difference. While this is becoming more manifest year by year, it is probably true that we do not, as yet, approximately estimate the ultimate value of these water powers to the people of Wisconsin."

The experience of the past 25 years has only underscored these words. Not only has the development of the power industry become increasingly the basis of all our industrial system, but through low distribution costs it makes possible the deconcentration of industry from vast overcrowded centers, permitting a more satisfactory physical basis for the home. These benefits can only be secured through farsighted social planning and the development of a policy for this essential commodity based upon use and stable investment, not upon promotional and speculative financing. We have neither coal nor oil. We can make up for the lack of their presence here by a program which will tie together all available sources of power without paying tribute to the speculative promoter.

The neglect to provide an abundant supply of electricity at low rates presents one of the greatest dangers threatening the manufacturing development of our State, as well as an adequate standard of living on the farm. It is urgent that we create in this State a comprehensive state-wide power program, the chief objective of which should be to restore to the people of Wisconsin effective control of this essential source of economic prosperity and social well-being.

Hitherto, interconnection and consolidation of utilities has been going forward without relation to the public interest in the integrated supply of these services. The regulated and planned development of power resources is everywhere accepted as necessary. But four new factors, exposed in detail in investigations made by the Federal Trade Commission and in the States of Massachusetts, New York, New Hampshire, and Pennsylvania, and set forth in part in the recent report of our own Interim Legislative Committee on Water and Electric Power, create the necessity for new forms of control.

First, the present financing of utilities results increasingly in the concentration of control in a few great holding companies. Two results have followed: The speculative aspects of financing have been overemphasized; and important functions of management, at one time locally exercised, tend to escape State scrutiny and control by their transfer to a few metropolitan centers.

Second, technological progress renders a local plant an unsatisfactory unit for economical operation and distribution, unless tied with other units into regional systems. In the third place, a local public plant may be unable to make necessary improvements and extensions because of debt limitations placed on local governments. Finally, judicial decisions leave the whole question of values and the machinery of rate-making in costly uncertainty. Thus every investigation in recent years establishes the need for a thorough reconstruction of the technique and procedures of regulation. It is my purpose to discuss the problem of regulation in detail in a later message.

The other objective of our national legislation on public utilities in Wisconsin was the establishment of potential public competition. A careful examination of the experience of other communities demonstrates the wisdom of two forms of public competition: Direct municipal ownership of smaller units, and publicly owned corporations capable of supplying wider market areas, and of integrating the local and district public systems with the private utilities.

At present, however, by a combination of constitutional and statutory prohibitions, both of these projects are effectively shackled. Under existing law, we are practically limited to private ownership of power production and distribution. This has hitherto meant high prices to the consumer with high profits to financial manipulators. High prices have held back the development and use of electricity not only in Wisconsin but throughout the United States. A news bulletin issued by the National Electric Light Association indicates that the average consumption of power in the United States in 1929 approximated 350 kilowatt-hours per year per consumer. In Ontario, Canada, the publicly owned power system indicates a consumption of over 2,000 kilowatt-hours per consumer in the year 1927.

For no one is this question more important than the housewife everywhere, and especially the women on the farms. To them the use of electricity is of vital importance, undertaking as they do the heaviest work with the least adequate household appliances and with many inconveniences. The easy substitutes for house work which the city can supply in laundries, bakeries, gas for cooking and heating water and other ways, are not easily available for the rural districts. However fundamental the great inventions which have vastly increased the productive power of industry, none will be more socially valuable than the appliances that can lighten the drudgery of those who have the manifold tasks of the farm.

Nothing would be more effective in halting the flow of population from the country to the city than the lifting of the whole standard of life for the farm. Nothing offers greater opportunities here than electric power. I suggest also to business men and manufacturers that the advantages to be secured in this potential market and in the possibility of cheap power for manufacturing outweigh any possible profits from speculating in holding-company securities. Wisconsin should be able to meet the challenge of such business communities as that in Los Angeles, which uses the low rates set by the public power bureau to attract manufacturers.

A comprehensive power program for Wisconsin requires adequate constitutional authority. I recommend that this legislature pass the constitutional amendment adopted by the 1929 session of the legislature. This amendment provides that municipally owned utilities may be financed by mortgage bonds instead of through the general municipal borrowing powers included under the 5 per cent debt limitation.

More important than this is the adoption of a constitutional amendment authorizing the State of Wisconsin to provide, if it so desires, a state-wide publicly owned power system. When the roll is called on this amendment, every legislator must choose between Wisconsin and the Power Trust. It will be an acid test dividing the reactionary from the progressive.

Pending adoption of these constitutional amendments we need not mark time. Every means permissible under the existing constitutional provisions should be utilized for developing a comprehensive power program. Legislation designed to give municipally owned plants larger opportunities for economic development through the organization of power districts is prepared and ready for your consideration.

Legislation designed to adapt the organization and procedure of our regulatory functions to the changed conditions in the power industry as well as new developments in all kinds of public utilities is now in preparation. The public power corporation measure, also in preparation, rests upon the need for a permanent planning agency which can provide for the adequate supply of these services throughout the State. It must be sufficiently flexible to assist local units with technical advisers in administration and finance as well as engineering. It must provide integration of production and distribution through local and district power systems and privately owned systems. It must forecast needs, and assist positively the manufacturer, farmer, and other users in securing power facilities. With the cooperation of the legislature through its proper committees, these measures should be ready for submission at an early date.

In urging you to adopt these two constitutional amendments and to perfect legislation looking toward a comprehensive power program, I realize that you are being asked to go into battle against a rich and powerful and well-organized lobby which operates, not only in Wisconsin, but throughout the Nation. The nature of its influence has recently been revealed by official investigations in many parts of the United States. Let me recall to you some of these revelations, not for sensational purposes, but

to remind our citizens how subtly our thinking on this question has been affected and colored.

The political and propaganda activities of the privately owned utilities center in the National Electric Light Association, 12 regional public-utility committees, and 38 so-called information bureaus. In addition to these, there has been maintained the joint committee of the National Utility Associations, a lobbying organization set up jointly by the National Electric Light Association, the American Gas Association, and the American Electric Railway Association.

The total sums of money expended for all these political and propaganda activities is not known. Some idea can be formed from the fact that the Federal Trade Commission's investigation showed that in 1925 and 1926 their expenditures for newspaper advertising alone amounted to \$28,000,000 annually. Expenditures for political and propaganda activities are paid for by the consumers of electric current. The cases where such expenditures have been excluded in computing the rates allowed to the utilities by public-service commissions are rare indeed.

These propaganda agencies have published and distributed printed matter, much of which is disguised to have the appearance of impartial research studies. Two of many examples of this are Dr. S. S. Weyer's Niagara Falls, Its Power Possibilities and Preservation, and Prof. E. A. Stewart's Electricity in Rural Districts Served by the Hydroelectric Power Commission of the Province of Ontario, Canada. Doctor Weyer's study was issued in 1925 by the Smithsonian Institution as a publication of the United States Government; yet it was established in the Federal Trade Commission investigation that Doctor Weyer, although a Federal employee, had been paid \$3,000 by the National Electric Light Association to undertake this work. E. A. Stewart was a professor of agricultural engineering in the University of Minnesota. His pamphlet condemning the Ontario system was issued under the author's professional title. Yet for compiling this pamphlet, Professor Stewart was paid \$500 a month and his expenses by the Minnesota committee on the Application of Electricity to Agriculture, which is financed by the Minnesota public utilities.

The propaganda agencies of the utilities have had their paid and unpaid spokesmen at thousands of meetings of business, religious, and civic organizations. They have indulged in expensive advertising of no immediate or intrinsic value to their business in order to influence subtly the general attitude of the public and the opinions of editors. They have paid the representatives of press agencies supplying weekly newspapers with articles. They have sent their agents, with no indication of their affiliations, into organized groups of business men, farmers, and women. Members of university faculties have been retained to conduct research and to prepare publications; school and college texts have been subjected to careful scrutiny and partisan criticism. They have been able to censor some of these publications.

The standards of public life established in this State 30 years ago by the founders of the progressive movement have thus far prevented any comparable duplication here of the activities of the utilities lately revealed in the primaries and elections in Nebraska, Pennsylvania, Illinois, and many other States.

But I know of nothing better designed to arouse suspicion concerning our press, distrust of our business leaders, and contempt for representative government than these activities so fully documented in public hearings and investigations. These agencies are the supreme agitators for creating social violence and the destruction of American ideals of self-government.

I grant freely that any interest has every right to present its case before the public. I agree that it has every right to place that case before legislators, public officers, editors, and others who have a position of public trust and responsibility. But I submit that when this is done, by means of money which we must pay for essential public services, we have at least a right to demand straight and open dealing. I am impressed by the fact that no small portion of those engaged in these great utilities have themselves questioned the wisdom and decency of their policy. There are those whose pride in technical achievements and administrative integrity has been profoundly disturbed at the increasing concentration of control in the hands of those who seek great speculative financial returns. I urge them to consider the wisdom of developing some self-government in their industry to put down these practices. And I urge the Legislature of Wisconsin to give to the government of the State itself powers at least approaching those of the utility companies for insuring a more wisely planned use and development of this great commodity.

By your early cooperation in the passage of constitutional amendments we can expedite the attainment of the necessary powers. But, in addition to this, there are being prepared in consultation with legislative leaders and advisors comprehensive proposals for dealing with the whole problem of the adequate regulation of all public-service companies. We are seeking to develop a positive program for eliminating the uncertainty and wastefulness so harmful at once to the public interest as well as to the efficient utility manager. If this program is to be genuinely effective, it must be based upon a thorough comprehension of the problems involved in the valuation, administration, and financing of these enterprises.

No static solution in this field is thinkable. The manufacture and distribution of gas, for example, is entering upon a new era in which the possibilities are yet unknown. The relationship of both bus transportation and of electric railways to steam railroads and of all of these to water transportation challenges economic statesmanship. It is only wisdom to provide ourselves with every facility for obtaining basic information, for planning, and for the

consultation of all the interested groups as a foundation for the adoption of new State policies.

In our search for a means of meeting the problems confronting every individual, we have slowly developed many associations alongside the machinery of government. We now utilize individual initiative through these organizations, particularly in agriculture and labor. We have many times turned to the spokesmen of these groups for assistance in attacking questions of policy.

This practice rests squarely upon the accepted right of all people to combine in the effort to accomplish through collective and cooperative action what the single individual is inadequate to do alone. We benefit from this in the maintenance of a better standard of life for individuals, and through recruiting additional leadership and experience for the tasks of government. The wealth of society is precarious unless based upon a widely distributed power of consumption, and unless a great body of citizens share in the governing process, both political and economic. The State should positively encourage this self-government by preventing attacks upon these organizations by any who seek profit from undermining standards of living. Even in the days of pioneer America, Lincoln, a product of the new West, stated that "labor is prior to and independent of capital" * * * in fact, capital is the fruit of labor, and could never have existed if labor had not first existed." The truth is brought home to us to-day in the need for maintaining a widespread consuming power if our economic system is to prosper in all its parts.

In developing this policy in Wisconsin the agricultural and labor organizations, such as the state-wide farmers' organizations, the Wisconsin State Federation of Labor, and the transportation brotherhoods, have contributed the loyalty and experience of a great section of our society. Their representatives have been conferred with and resulting proposals for improving legislation of importance to the farmer and the industrial worker are ready for your consideration.

Fifteen years ago the inclusion in the Federal Clayton Act of provisions aimed at preventing the abuse of the injunction in labor disputes was hailed as a Magna Charta for labor. In 1917 this measure was adopted by Wisconsin. Subsequent judicial interpretations of these provisions have emasculated them. I urge the revision of this legislation in the light of the investigation of the use of injunctions recently undertaken by the Judiciary Committee of the United States Senate as well as the experience of Wisconsin. While there may be disagreement over particular aspects of economic legislation adopted by a government, we ought to have no uncertainty in according every legal and practical encouragement to the development of organizations of industrial workers and farmers of Wisconsin.

To-day the average citizen feels lost and friendless in a complicated world. New controlling forces have developed so rapidly that our institutions of government are often out of date and ineffective. In proposing that we call into our counsels the leaders not only of the executive and legislative branches but of our great basic interests, we seek only to restore the neighborhood cooperation of the simpler days of the frontier. If we can feel this spirit of self-government again in the new America, we shall need the cooperation of men and women of all interests and groups. It is by no means clear that the American experiment of self-government will succeed. We must be prepared for genuinely profound readjustments not merely of institutions but of mental habits if it does.

We stand to-day at a crossroad. One way leads to decay; the other to regeneration.

Upon what we do in this legislative session and upon the political procedures we follow in determining what we are to do may well depend the beginning of the answer to the question, Which way is Wisconsin to go? In this task there is every challenge to courage, intelligence, and the adventurous spirit that marked the frontier of a century ago.

PHILIP F. LA FOLLETTE,
Governor.

MADISON, WIS., January 15, 1931.

CASHING OF VETERANS' ADJUSTED-COMPENSATION CERTIFICATES

Mr. SMITH. Mr. President, in all this discussion about unemployment, the necessity for relief, and the millions we have appropriated and are in process of appropriating in practically every department of the Government, it seems as if we have lost sight of an obligation that is quite as appealing to me as any that has come before this body. That is what we shall do with the certificates we have issued to the men who helped save this Republic in the World War.

The obligation we owe these boys we have expressed in the form of certificates. The adjusted-compensation certificate is, in effect, a bond of the United States, guaranteeing payment at a certain time. The difference is, however, that a bond of the United States bears 4 per cent interest, or some stated rate of interest, and the holder of the bond gets the interest, while if the boy who helped save the country expects to get any money, he has to pay 6 per cent interest to get any cash on his bond. I want Senators to see the difference. If one hypothecates his certificate to get any cash on it, he pays the legal rate of interest, or at least 6 per cent, while

the man who holds a bond gets from the Government the rate of interest specified in the bond.

If there ever was a time in the history of this country when the men who bore the unspeakable hardships of war at \$1 a day to make life possible for us needed aid, it is now. Scattered all over the country are millions of them in just as desperate straits as are other people; some of them perhaps in more desperate straits.

Mr. President, I want to read some extracts from a letter from one who was in the World War, and in the most dangerous service, the Air Service. The letter is so intimate that I shall not give the name of the writer, but read some extracts from it. He says:

I am writing you in regard to the proposed cashing of the bonus certificates. The way I look at it is this. The United States Government, whether rightly or wrongly, and I believe rightly, has recognized its obligation to the ex-service men by voting them so-called adjusted compensation certificates, payable at a certain time in the future, but in the event of the death of the veteran, payable to the beneficiary at his death. All the Government has done is to say to the veteran, "We owe you so much money but we do not intend to pay you until so many years have elapsed, nor will we pay you interest during that time on the debt, even though the debt was contracted by the Government while you were in military service. But if at any time between the issuance of the certificates and the time we intend to pay, you become in need of money, you may borrow amounts varying according to the time the certificate has been issued, but you will have to pay the interest." In other words the Government makes its creditor pay interest on its debtor's debt to him.

For the bonus certificates to be paid now would be to turn loose millions of dollars, which money would be distributed throughout the Nation in proportion to the population. It would therefore add materially to the relief of drought-stricken areas, would certainly add relief to the industrial areas, and would help others throughout the country where the industrial oppression is existing. The Government could raise the money by bonds and I believe could readily dispose of them at 4 per cent.

I understand the Secretary of the Treasury is insistent that the Government debt should be reduced by a substantial sum each year. I thoroughly agree with him and I think the Government should therefore pay the debt that it has acknowledged to its ex-service men. Why should the ex-service men, the majority of whom served for a dollar a day and subsistence, be forced to wait years to collect their debt, and if they endeavor to cash in on some of it before its maturity be forced to pay 6 per cent interest when those who own the present United States bonds are collecting interest on their debt every year, when they were enabled to buy these bonds with money the major part of which was made during the inflated prosperity of war times. In all logic and equity it seems that the Government should pay these bonds now, or at least issue to the ex-service men in lieu of his bonus certificate a Government bond which is carrying interest, is negotiable, and which he can sell.

Mr. President, I am not going to take the time of the Senate now to do so, but at some future time I want to discuss more at length this question of adjusted compensation and the awkward and unsympathetic manner in which we have handled it. I am thoroughly in sympathy with the demand of the great mass of the ex-service men in this the darkest hour that America has ever seen economically and financially, when distress is evident in every department of organized society, in country, city, village, hamlet, and town. Everywhere this inexplicable gloom has settled down and every avenue of business is paralyzed. Suffering, the like of which we have never known, is stalking abroad in the land, and yet we are religiously collecting the 4 per cent on the bonds which were issued in order to get the money that we might prosecute the war while the boys who made the bonds worth while are either told to die before those who are dependent upon them can come into the benefits of their certificates or they must take potluck with those who did not go over during the war. I think, Mr. President, if there ever was a time when we should recognize the horrors through which these ex-service men went it is now. I was so struck with the paragraph which I have just read from this letter that I wanted to bring it to the attention of the Senate.

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I yield.

Mr. HEFLIN. I had a letter from one of the ex-service men in my State the other day who said he noted that

Mr. Andrew W. Mellon said that if we would pay this cash bonus it would cripple business, and he wondered if Mr. Mellon considered when the boys were on the firing line that the bullets would cripple them.

Mr. SMITH. I wonder where Mr. Mellon would find any place that he could cripple business any more than it is. Perhaps he is such an expert in business that he can find a place that is not already crippled.

Mr. HEFLIN. I agree with the Senator that it is unfair to charge the boys interest on these bonds the Government has issued to them, and it is in a way a Government bond. The Senator will recall that when the deflation period came on in 1920 bonds all over the country were forced on the market and the mighty wealthy bought them up at 80 to 85 cents on the dollar. Those bonds are now drawing the interest of which he speaks, 4 per cent, and these boys, crippled as many of them are and in distress as nearly all of them are, are having to pay interest to the Government, which is nothing short of an outrage.

Mr. SMITH. Mr. President, I think perhaps the Secretary of the Treasury is right in saying we ought to retire our public debt as rapidly as we may. I think it is the debt that, from every standpoint, we ought to retire. The bondholder does not want his bond canceled. When the life of those bonds shall have expired we shall be in the midst of another refunding proposition. They do not want those bonds retired. The 4 per cent interest is the highest rate of interest the Government has ever paid on its obligations, and we now have ten or fifteen or twenty times more indebtedness on the part of the United States than ever before. The holders of those bonds do not want them paid.

But the boys who hold the adjusted-compensation certificates get no interest on them. It is not anything in the way of an investment for them. What we ought to do is either to cash them and let the ex-service men do as they will with the cash or else convert them into bonds which are negotiable instruments and which bear interest. I think it is a subject of criticism on the part of our Government to make this gesture at those who really saved America and shed glory and honor on our flag. Instead of giving each one a bond we have given him an adjusted-compensation certificate on which, if he wants to realize on it, he has to pay interest during his lifetime, and he has to have his name engraved on a tombstone before those who are to benefit by his Government's largess can have the benefit that may come therefrom.

INTERIOR DEPARTMENT APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 14675) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1932, and for other purposes.

Mr. HOWELL. Mr. President, several days ago the special select committee appointed by the Senate to investigate the Alaska Railroad made a report, and included in that report certain recommendations. The first recommendation was that the railroad be not abandoned, but its operation be continued. The second was that its train mileage be reduced approximately 100,000 miles as compared with the fiscal year 1930; that passenger rates be increased from 6 to 10 cents per mile, together with a revision of freight rates so as to provide at least 50 per cent more revenue as an average on all freight handled than can be obtained under the schedule of freight rates now in effect; and "that the \$1,000,000 appearing in the pending appropriation bill for the Interior Department be allocated as follows."

In the pending bill there appears an item of \$1,000,000 for the Alaska Railroad. Approximately \$800,000 thereof can be used under the terms of the bill to meet a deficit during the fiscal year 1932 on this railroad and \$200,000 must be used for capital expenditures. The recommendation made by the select committee of an increase in freight rates and in passenger rates has been agreed to by the Secretary of the Interior and these increases will be put into effect.

It is now proposed under the terms of the pending bill that but \$500,000 of the \$1,000,000 shall be applicable to any

deficit during the coming fiscal year and that \$250,000 of the \$1,000,000 shall be applicable to capital expenditures instead of \$200,000 as proposed in the bill; that the other \$250,000 may be used for the investigation of mineral and other resources in Alaska to ascertain the potential resources available which will affect railroad tonnage.

There are two ways in which we can rescue this railroad. One is by increasing railroad tonnage and the other is by increasing rates. We have proposed, and the Secretary of the Interior has concurred in the proposal, an increase of rates. What we now seek to do is to utilize \$250,000 of this amount, not increasing the total appropriation, for work that shall lead to the development of tonnage on the Alaska Railroad. Therefore I offer the amendments which I send to the desk.

The VICE PRESIDENT. The clerk will report the amendments offered by the Senator from Nebraska.

The LEGISLATIVE CLERK. On page 117, in line 1, after the word "binding," insert the following proviso:

Provided further, That not to exceed \$250,000 of this fund shall be available for continuation of the investigation of mineral and other resources of Alaska to ascertain the potential resources available which will affect railroad tonnage.

On page 117, line 1, strike out "\$200,000" and insert in lieu thereof "\$250,000."

Mr. SMOOT. Mr. President, no doubt a point of order would lie against the amendments, but I am not going to interpose it. I am rather in full accord, at least 90 per cent in accord, with what the Senator has said about the Alaska Railroad. For the last six or seven years I have been calling attention to what would happen in Alaska. We have been promised for the last six or seven years that if the appropriation should be allowed to stand it would not be asked for the ensuing year. Yet they are asking exactly the same for this coming fiscal year as for the last six or seven years.

The Senator from Nebraska is perfectly right in saying that unless something is done there will be no change in the management and operation of the railroad in Alaska. If we can enact a law that will bring about what we thought was going to be brought about six or seven years ago I shall be only too glad to assist in accomplishing it. Perhaps this will bring it about and I shall ask, therefore, notwithstanding that a point of order could be made against the amendments and if there is no objection on the part of any other Senator, that the amendments be adopted.

Mr. KING. Mr. President, I agree with my colleague that promises have been made from year to year that this white elephant which the Federal Government has on its hands would be disposed of and cease to be a burden upon the Government. It has been suggested at various times that thus far the Government has been unable to get from under the burden, and it seems that the plan suggested by the Senator from Nebraska [Mr. HOWELL] will meet the project resources. I regret that the committee has brought into the Senate a provision for the continuation of the appropriation for the Alaska Railroad. I would much prefer to vote for a proposal directing the Interior Department and those in charge of the railroad to proceed to the liquidation of the same, to authorize its sale, and to report within not to exceed two years that the duty has been fully discharged. I would be willing to give two years within which to wind up the affairs of this—I was about to say defunct, but I will say this debilitated organization which is an unnecessary charge upon the Federal Government. I think it ought to be disposed of and the corporation wound up. I would be glad to vote for a proposition instructing those in authority, within two years, to liquidate the organization and make disposition of its property.

The VICE PRESIDENT. The question is on agreeing to the amendments proposed by the Senator from Nebraska [Mr. HOWELL].

Mr. ODDIE. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield the floor?

Mr. SMOOT. I do.

The VICE PRESIDENT. The Senator from Nevada is recognized.

Mr. ODDIE. Mr. President, I should like to ask the Senator from Nebraska if his amendments, if agreed to, will eliminate from the appropriation sums necessary to pay the running expenses of the Alaska Railroad this year?

Mr. HOWELL. Mr. President, the Interior Department asked for an appropriation of \$1,000,000 for the Alaska Railroad. The sum of \$1,000,000 is left in the bill. The Secretary of the Interior has agreed to a 50 per cent increase in freight rates on the road. Therefore, the million dollars will not all be necessary to meet a deficit. So we propose that \$250,000 of the million dollars shall be used for capital expenses—that is, for permanent improvement of the road—and that \$250,000 shall be used to endeavor to develop tonnage for the railroad, in order to see if it can be kept alive. Accordingly the railroad will have for the coming year the money that was proposed by the Interior Department before the report of the special committee was submitted.

Mr. ODDIE. Mr. President, I very strongly favor the suggestion last made by the Senator from Nebraska that additional moneys be expended in the development of resources, such as coal, for instance, and other resources that will increase the tonnage of the Alaska Railroad.

I personally know something about the situation in Alaska because I visited there last summer, and I know that if the railroad operation is curtailed at this time it will injure tourist travel to the McKinley National Park, which is a national treasure house of beauty and grandeur that should be fostered.

Furthermore, there is a large gold-placer operation beyond Fairbanks, which is producing something like \$10,000,000 a year of gold. Our economic system demands the production of more gold at this time. If the railroad's operations shall be seriously curtailed, it will injure such production. There are prospectors all through that section of the country who are dependent on this road for their existence. The Government has expended a large amount of money on the road, and it is necessary that steps be taken to inaugurate new enterprises which will furnish more freight. I have not gone into the question of freight rates; that has been gone into by the committee; but I do wish to say that I feel that if the railroad should be shut down or its operations seriously curtailed at this time the Government would break faith with the people of Alaska.

Mr. SMOOT. Mr. President, as to the Government breaking faith with the people of Alaska, I think that those who represented the people of Alaska have broken faith with the Congress of the United States; and if the Alaska Railroad does not prove a success, as I hope it will, then I am going to try to secure the passage of legislation that will put a bus line and a truck line into Alaska which can carry all the passengers and all the freight that will ever go over the railroad in any one year.

Mr. KENDRICK. Mr. President, in answer to the statement made by the senior Senator from Utah [Mr. SMOOT], which is undoubtedly made under strong conviction, I should like to say that no Member of the Senate who has made a personal inspection of the situation in Alaska would favor junking the railroad; certainly he would not believe such action to be advisable at this time.

The Senator from Utah expressed himself as being favorable, in a certain contingency, to converting the Alaska Railroad into a highway. That was my first impression when I went to Alaska, but, Mr. President, on making inquiry of those who are authorities on the subject as to the cost of such changes I became convinced that if we proceeded now to convert the Alaska Railway into a highway the interest on the money which would be expended in doing so would be sufficient to take care of the present deficit on that railway.

I think anyone who will visit Alaska will see the situation in the same light as the members of the committee saw it. I may say, incidentally, that our committee proceeded every

waking hour of every day when we were in Alaska to hold hearings and to secure information. We were not banqueting, because, in the first place, we did not have the time and did not invite that sort of thing; but we worked diligently to ascertain the facts in regard to the Alaska Railway and its possibilities or the absence of such possibilities. Our conclusions were unanimously in favor of continuing the operation of the railroad and carrying out the suggestions in connection with it which have been made by the chairman of the special committee, the Senator from Nebraska [Mr. HOWELL].

From a purely business standpoint, any business man, should he own the Alaska Railroad, would proceed, as it would be necessary that he should proceed, to do not only one of two things but to do two things. He would increase the freight rates on the railroad, and then he would have made a detailed study of the possibilities of increasing the traffic. After such an investigation shall have been made, if it is proven that the railway can not be maintained without a heavy loss, then it will be the responsibility of Congress to determine whether the excess cost of continuing the road in operation would be justified by the benefit it affords the people of Alaska.

I say without hesitation, Mr. President, that the amendment offered by the Senator from Nebraska ought to be adopted, and any good business man who could view the situation as we viewed it would see it in the same light; he would favor continuing the operation of the road and allowing a longer period for a test to be made before he would even think of junking it.

Mr. President, in connection with the Alaska Railroad there is another feature which might very well be considered by Congress, and that is the people of Alaska. Perhaps it might be considered a little sentimental, but no citizen of continental United States visiting Alaska could possibly overlook one or two rather startling facts. The population of Alaska, though limited in numbers, is composed of those who have gone there from all the 48 States of the Union. There are probably fewer foreign-born residents in Alaska than in almost any other place under the dominion of the United States Government. One may travel from one end of that vast Territory to the other and hear no expression either in behalf of independence or anything hostile to this country. The people of Alaska who have passed middle life were born in the United States proper, under the American flag, and the people as a whole know no other flag.

Whether the Alaska Railway is a financial success or not it has done a great deal toward promoting the settlement and the development of that Territory. It is impossible for one to believe when he goes to Alaska and makes close inquiries as to economic conditions that the Territory is not in a fair way to advance industrially and economically within the near future. In that event, the railroad would be a powerful factor in promoting that development and its abandonment would be a great deterrent.

I recognize the facts as they are; I also recognize the obligation—and it is an obligation—that we owe to the people who live in Alaska, who are blood of our blood, bone of our bone, and who are waging a mighty contest in their efforts to subdue and make fruitful this vast empire, and I would proceed to deal with the problem very largely in a business way. As a business man, if the road were mine, or if I owned any great part of it, I would recommend on a purely economic basis the procedure which is proposed under the amendments offered by the Senator from Nebraska.

Within just a few miles of the railroad tracks are enormous beds of anthracite coal. That coal when mined could be sold in every commercially important town on the Pacific coast, and it is the opinion of the best authorities that it would command a market in the far-away Orient, because practically the only freight charges would be water freight. In discussing the question of a market for anthracite coal as we traveled south along the coast we were assured by the leading men of the cities of Alaska that they would buy all the anthracite coal that could be marketed and brought

to them, because there is no other anthracite coal within reach of that Territory.

Mr. President, after the committee had visited Alaska it submitted its report and recommendations to the Senate, and the amendments proposed by the Senator from Nebraska are in accordance with those recommendations. I insist that no Member of the Senate who had visited Alaska and made a close study of the situation there purely along business lines would do other than adopt the recommendations made by the special committee.

The VICE PRESIDENT. Is there objection to a vote on the two amendments together? The Chair hears none. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. SMOOT. Mr. President, I desire to recur to the amendment which has been agreed to on page 108, line 8, after the word "road," inserting the following:

And the President by proclamation may add any or all of such lands and/or Government lands to Yosemite National Park.

I desire to offer an amendment to that amendment by adding this proviso—and I want my colleague to listen to the proposed amendment to the amendment:

Provided, That the public lands herein authorized to be withdrawn shall not exceed 5,664 acres, the same being within present national forests.

The VICE PRESIDENT. Without objection, the vote by which the amendment on page 108, line 8, was agreed to, will be reconsidered, and the amendment proposed by the Senator from Utah to that amendment will be agreed to. The question now is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. HOWELL. Mr. President, the special committee which visited Alaska in making its recommendations submitted as a part thereof paragraph 5, which reads:

That this committee be continued or another committee be appointed to keep the Senate informed respecting the business of the railroad and the details of operation during the coming year.

I wish to say that the committee has been receiving reports respecting the operation of the Alaska Railroad since we left that Territory. The committee has certain definite notions as to what ought to be done, and I believe it will be to the advantage of placing the railroad, if possible, upon a permanent foundation for a committee of the Senate to follow up these matters. Therefore, I ask unanimous consent that the committee, which is composed of the Senator from Wyoming [Mr. KENDRICK], the Senator from Idaho [Mr. THOMAS], and myself, may be continued.

The VICE PRESIDENT. If the expenses of the committee are to be paid out of the contingent fund of the Senate, it will be necessary to introduce a separate resolution and have it referred to that committee.

Mr. HOWELL. I am not asking for any funds for the committee at this time; I am simply asking that the committee may be continued in existence.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. Mr. President, just a word with respect to the amendment offered by the Senator from Nebraska and the observations made by my friend from Wyoming [Mr. KENDRICK].

The Senator from Wyoming espouses with earnestness and eloquence the cause of Alaska. I think all of us are interested in the development of Alaska, as we are in the development of every part of our country, and are desirous that prosperity shall be showered upon the residents of Alaska. The Alaska Railroad was an experiment inaugurated under a Democratic administration. I thought it was a mistake, and I believe that time has proved that it was. It has cost the Government tens of millions of dollars without, in my opinion, commensurate benefits. I see no future for it under Federal control. That is the reason I suggested a few moments ago, as I have suggested heretofore when this question was under discussion, that the corporation be liquidated, that it be sold to private persons, and

that the Government get out of the business of trying to operate a railroad in Alaska.

The testimony brought to the attention of Congress from year to year during the past 10 or 12 years indicates that there was waste and extravagance and inefficiency in the administration of the affairs of the railroad—inefficiency and extravagance which, in my opinion, would not have existed under private control. The Senator calls attention to the coal fields in Alaska. We are familiar with that, and there has been ample opportunity for years for their development if private capital could have seen any benefits to be derived from engaging in their development. However, it should be remembered that efforts have been made to obtain title to coal lands, but without avail. The coal lands have, in part at least, been locked up by the United States. I think, though, that the time was deemed unpropitious for the development of the coal measures in Alaska.

Mr. KENDRICK. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. KING. I yield.

Mr. KENDRICK. For the information of the Senator, I may say that, notwithstanding the many discussions of coal development in Alaska, it is a fact that the only method of testing the thickness or extent of a coal vein which is now considered by coal operators as reliable, namely, a steel drill, has never been used in the coal beds of Alaska up to this time. The opportunity afforded through the proposed amendment to determine the facts at a limited expense seems to me to be one that a good business man like the junior Senator from Utah would follow, if he owned and held the property, to determine what ought to be done.

Mr. KING. Mr. President, the Senator flatters me when he attributes business qualifications to the junior Senator from Utah.

The coal fields of the United States have already been developed far more than the situation warrants; and the coal business throughout the United States has been—if I may be permitted the language of the street—in a very sick condition for many years. Means have been suggested for the purpose of meeting the situation and relieving those engaged in the coal business from the bankruptcy which has attended many, and from the depression which has come to all.

When the people of the United States need the coal of Alaska there will be private capital ready to obtain it if the Government will permit them to do so. In the State of Colorado there are millions of tons of anthracite coal. It can be mined cheaply. Transportation charges are reasonable; and yet the demand for this coal has not been such as to warrant the expenditure of sufficient capital for extensive development of these anthracite-coal fields.

In my own State there is more bituminous coal than in any other State in the Union. There are 21,000 square miles of territory underlaid with bituminous coal, measures which are from 5 to 27 feet in thickness. There is no better bituminous coal in the world than that produced in Utah. Many of the mines are idle. A number of companies that have attempted to develop them have met with serious reverses, because the markets were not sufficient.

I am not in favor of the Government engaging in private enterprises—in business that comes legitimately within the field of private endeavor. The functions of the Government are different from those of private persons. The Government should keep within its own domain. I repeat, whenever the needs of the country require, private capital will be available for the development of any worthy enterprise, one that will be advantageous to the people.

The population in Alaska has diminished from year to year. My recollection is that there are less than 29,000 people now living in Alaska. Notwithstanding the efforts which have been put forth by the Government to develop Alaska, to aid the inhabitants in their industrial and other activities, the population has diminished and is still diminishing. I do not think that the expenditure of a million or

two million or five million dollars a year upon this railroad will be of any particular advantage to Alaska, and it will not be a great contribution to its population. For that reason I have been in favor of liquidating this organization, letting private capital experiment with the railroad, and I have no doubt that private capital would acquire it, but, of course, at a price far, far below that which has been expended by the Government in its development.

MODERNIZATION OF BATTLESHIPS

The Senate resumed the consideration of the bill (S. 4750) to authorize alterations and repairs to certain naval vessels.

The VICE PRESIDENT. The question is on the passage of the bill.

Mr. KING. Mr. President, we have before us a measure authorizing an expenditure of \$30,000,000 for the so-called modernization of the battleships *New Mexico*, *Mississippi*, and *Idaho*. These powerful war vessels are of recent construction. The *Idaho* was completed in 1919, the *New Mexico* in 1918, and the *Mississippi* in 1917. These vessels were designed and built by our ablest naval engineers and experts and were the last word in naval construction. They are in excellent condition and will meet every test required of them for many years to come. They are not archaic or obsolete or defective. In our Navy there are 18 capital ships having a total tonnage of 525,850. The British Empire has 22 capital ships; Japan, 10; France, 9; and Italy 4; but under the terms of the London naval treaty the United States will suffer a reduction of 3, Great Britain 5, and Japan 1.

In my opinion the Navy of the United States is equal, if not superior, to that of any navy in the world. The Washington conference considered the relative merits and factors of strength of the navies of various participating powers and provided a basis of equality in capital ships for the respective participating nations. The United States has six capital ships which have been completed since the war, whereas Great Britain has but three. In our fleet there are 10 ships each with a tonnage of 30,000 or over. In the British fleet there are only three ships of 30,000 tons or over. In our Navy there are five capital ships whose guns outrange the British ships, with the exception of the *Rodney* and the *Nelson*. Our Navy has twenty-four 16-inch guns, while the British Navy has but eighteen. Within the past few years, and, of course, since the Washington conference, major alterations have been made upon a number of our battleships. The guns of the *Oklahoma* and *Nevada* were elevated several years ago, and since 1925 important alterations have been made upon the battleships *Florida*, *Utah*, *Arkansas*, *Wyoming*, *Texas*, *New York*, *Oklahoma*, *Nevada*, *Pennsylvania*, and *Arizona*. The cost of "modernizing" 10 battleships has been over \$70,000,000. As I recall, most of our capital ships have been converted from coal to oil burning, and changes have been made for the protection of our capital ships against submarine attack. Deck protection against aircraft attacks has been provided, and new machinery installed, so that our capital ships, in my opinion, are equal to those of Great Britain.

Mr. Hector C. Bywater, a naval writer of ability, has recently stated that—

* * * The United States Battle Fleet of 18 capital ships is the only completely oil-burning fleet in the world, which gives it an immense advantage over all others in steaming radius and strategical homogeneity. It is the only fleet of which every pre-Jutland unit has been or is being extensively reconstructed or modernized to embody war experience. It mounts 192 heavy turret guns, as against 166 corresponding guns mounted in the British fleet.

I shall not take the time of the Senate to refer to other classes of naval craft in our Navy or those of other nations. I desire to repeat, however, that in my opinion, notwithstanding the position of our naval board and of some who pretend to speak for the Navy, the Navy of the United States, taking into consideration all factors of strength, is the equal, if not the superior, of that of any other nation. I believe, however, that those who have controlled the policy

of the Navy and determined the kind of vessels to be constructed have been too indifferent to the naval contests upon the high seas during the World War, and the lessons to be derived therefrom. There seems to have been a determination to adhere to pre-war plans and to ignore or minimize the importance of submarines and airplanes and airplane carriers. Before the advent of the submarine and the airplane the battleship was regarded as not only the "core of the Navy" but practically the Navy itself. The other naval craft were merely auxiliaries of more or less importance.

It was apparent that our naval experts when they were insisting upon carrying out the naval program of 1916 were determined to yield nothing with respect to the place which battleships should occupy in our fleet. The views of Admiral Simms and Admiral Fullam were not in harmony with those of the Naval Board. The admirals just named insisted that too much emphasis had been laid upon the battleship and too little consideration given to the importance of submarines and airplanes. Speaking of the importance of airplanes, Admiral Simms stated a number of years ago:

It normally adds to the ability of a country to defend itself. No battleship afloat can operate against the coast of an enemy within the range of the enemy's airplanes for this reason. A fleet that goes over there, whether it has 6 or 8 or 10 airplane carriers—suppose it has 10—that would be nearly 1,000 planes. With 30 planes each, it would be 300 airplanes coming up against the coast where we are operating from the beach, and we have 2,000 airplanes. It simply means that you are controlling the air absolutely and you will wipe out all of the air force, and you will be perfectly free to attack that fleet.

Referring to the fact that distance is an obstacle in warfare, he said:

Great Britain with all her forces could not attack this coast without a base on this side to operate from. She has not a single ship that can come across the ocean and get back again, let alone stay here without assistance.

Mr. President, I think our naval experts have been too persistent in their demands for a 1-plane navy. In the language of the late Admiral Fullam, it is important that there be a well-balanced navy, a "3-plane navy." He meant, of course, the surface navy, the submarines, and the airplanes.

The bill before us is evidence, in my opinion, of the tenacity with which our naval authorities cling to the idea of a 1-plane navy. The battleships still constitute the navy.

Mr. President, I have believed that so long as the spirit of war existed in the world, and other nations were building navies, the United States should have a strong, modern, and up-to-date Navy. I have, however, upon a number of occasions criticized the enormous expenditures upon the part of our Government for military purposes. I have opposed the maintenance of so many naval stations and bases and naval yards and repair depots. The overhead of the Navy has been entirely too great and the enormous appropriations made for the Army and the Navy have not only been a burden to the taxpayers of the United States but they have aroused the fears of other nations. They could perceive no reason why the United States since the World War should spend more for its Army and Navy than any other nation was spending. There have been some who doubted the sincerity of the professions of the United States, that it desired disarmament and world peace, when they viewed the enormous military budget of the United States for each year following the World War.

May I add, Mr. President, though it may not be deemed relevant to the question before us, that in 1921 I submitted a minority report from the Committee on Naval Affairs in which I opposed the 1916 program and challenged attention to the vital importance of the submarine and airplane as factors in our Navy. In that report I used the following language:

When the Secretary of the Navy and others declare that we must have the most powerful navy in the world, and when demands are made to execute a program that will cost more than a billion and a half dollars and entail upon the United States an annual expenditure of at least one-half billion dollars for its maintenance, other nations may not be criticized if they express some concern regarding our purposes. In my opinion, we can not reconcile our declarations that we desire peace and disarmament

with the avowal that we shall complete the 1916 program and supplement it with modern aircraft, submarines, and so forth, at a cost of hundreds of millions of dollars. If we believe in relieving the world from the burdens of military and naval armament, let us set the example. The psychology of our action in carrying forward a militant naval program will be bad. It will tend to drive the world back into old paths—into policies based upon alliances and the balance of power, into the shadows and darkness from which we emerged when military autocracy in Europe was overthrown and when the right of determination was accorded to the peoples of the world. We should suspend the naval program to the extent herein indicated and either enter the League of Nations or address ourselves to obtaining an agreement with the great powers for the limitation of armaments and the establishment of tribunals for the settlement of international controversies.

The wealth and power of the United States, together with its isolated position, give us primacy in the world. We should lead in every movement for justice and righteousness and peace. This propaganda for a Navy to outstrip the world has little or nothing behind it excepting an appeal to the national pride and vanity. The adding of capital ship to capital ship is bound to raise misgivings on the part of other nations and will incline them to ascribe ulterior and imperialistic purposes to our Government and will engender distrust and jealousy against a people who in their hearts sincerely desire the welfare of humanity. If the United States desires, as it should, to have the emulation of other nations, we should set them an example. Do we desire that they shall emulate us in the construction of men-of-war, or that they shall emulate us in our defense of the principles and purposes of international peace and justice?

Whither are we to lead the world? That is the question. Shall it be along the lines of arms and war, or upon the paths of peace and trade and constructive progress, which shall turn the work and materials of the world to the increase of goods and riches and wealth, for the blessing of all the nations? Do we desire to impress the world with fear and terror of our country or with that respect and trust and confidence which an adherence to the principles of liberty, of justice, and of peace will invite from all other nations? These questions are before us. Our answer will determine the fate of the world.

Mr. President, the charge is frequently made that the Washington Naval Conference of 1922 was a serious blow at our Navy, and that it left the United States inferior as a naval power to Great Britain, if not to Japan.

Mr. President, there is no foundation whatever for such charges and they are unjust to the executive department of the United States which brought about that international conference. There is no doubt that if the United States had completed the 1916 naval program it would have been the unchallenged master of the seas; but, as I have indicated, the cost would have been a heavy burden upon the taxpayers of our country. This Republic had never asserted as a national policy maritime supremacy, and it had not been frightened into a departure from its traditional policy by political upheavals and military conflicts in other parts of the world. Undoubtedly the great conflict which involved many nations, even before the United States became a belligerent, produced important reactions in our country. This was proven by the enactment of the 1916 naval program which, as I have stated, called for the ultimate expenditure of a billion and a half dollars for naval construction and, of course, would materially increase the annual ordinary expenses of our Naval Establishment. Our Allies, as well as the defeated powers, following the war, were endeavoring to adjust themselves to postwar conditions and to extricate themselves from the serious and calamitous conditions resulting from the war. Neither Great Britain nor Japan, nor any of the naval powers, were projecting new naval programs or planning important naval construction. But when the United States pushed forward the construction of the gigantic war fleet contemplated by the 1916 program, Great Britain and Japan, as well as other nations, took cognizance of the same and sought to ascertain the reason for this apparent warlike movement. A situation developed which interrupted the nations struggling for relief from the oppressive burdens resulting from the World War. Fears and jealousies were aroused which produced a dangerous psychology and tended to revive the spirit of war. Some people saw in the naval program of the United States a determination upon our part to dominate the seas and to exercise undue influence, if not authority, in other parts of the world. The situation proved the truth of the statement often made that large expenditures for naval and

military purposes arouse the fears and often the resentment of other nations.

Secretary Hughes, when speaking before the American Society of International Law, in Washington in April, 1927, referred to our naval program of 1916, and said:

* * * Whatever the motive that inspired our naval program of 1916, it was clear, after the end of the war, that it was unnecessarily extensive and had become essentially provocative. * * *

The question pressed, Against whom was it directed? Germany's naval power was destroyed. There were but two other great naval powers—Great Britain and Japan. It was natural for Japan to misinterpret the motives back of the continuance of our ambitious naval force. I am informed that responsive to ours, Japan's naval expenditure, which was less than \$100,000,000 in 1917, had been increased to over \$270,000,000 in 1921.

Senators will recall that the naval program of 1916 authorized the construction of 16 capital ships, together with a large number of destroyers, submarines, scout cruisers, torpedo boats, transports, fuel ships, tenders, and other auxiliary naval craft, the cost of which would have been greatly in excess of \$1,000,000,000. Of course, a fleet of such magnitude would have been superior to that of any nation, and the annual cost of its maintenance would have been an increasing burden to the American people. It would have required larger docks and naval bases, and would have materially increased the personnel of the Navy. The General Board of the Navy determined to adhere to the 1916 naval program and submitted a report in favor of that program. Admiral Sims, speaking of the report, declared that "it was very largely mistaken." He was not in harmony with the position taken by the naval board in its insistence upon the construction of so large a number of capital ships. He believed that the naval engagements of the World War demonstrated that the battleship was not so important as it had been thought to be, and that submarines and airplanes and airplane carriers must be regarded as imperatively needed in naval warfare. It is certain that the chauvinistic attitude assumed by the Navy Department and some Americans in 1920 and 1921 produced reactions among naval powers. As Secretary Hughes stated in the address from which I have quoted, the question was asked, "Against whom is the United States building?" There was much jingoistic talk that war with a Pacific power was inevitable, and some portions of the American press declared that a conflict between the United States and Great Britain could not long be postponed. Japan revised her naval budget in the light of our 1916 naval program, and Great Britain, which had not laid the keel of a single war vessel since the armistice, but, upon the contrary, had scrapped hundreds of her naval craft, began preparations for the construction of a number of naval vessels.

The fears of other naval powers were not allayed by the repeated statements made in the United States in 1919, 1920, and 1921 that the enormous appropriations for naval and military purposes were only intended for the defense of the United States. Senators will recall that in the years just mentioned there was much extravagant and feverish talk in the United States about "preparedness." Civilians and military and naval officers indulged in solemn warnings that the United States must be "prepared" in a military and naval way against any possible foe—though most nations were bankrupt, and there was no real or imaginary foe of the United States—and therefore justified the naval program to which I have referred. In passing may I say that Germany when she was building a powerful navy and maintaining an army of larger proportions than any in the world insisted that her military establishment was moderate and designed exclusively for "defensive purposes." France, Italy, and other nations contended that their armies and navies were designed solely for the "defense" of their respective countries. Imperialistic nations have not infrequently, under the guise of "national preparedness," laid plans which they subsequently sought to execute for the conquest of other countries. Statesmen who desired world peace and unity perceived the apparent militant manifestations of the United States in 1920 and 1921, and some of

them anxiously sought ways and means to avert any international conflict. Repercussions produced by our naval program appeared in Japan. Mr. Bywater in his *Sea Power in the Pacific* gives an account of a discussion which took place in a committee of the Japanese Diet in 1920. A few quotations will be illuminating upon this point:

A member: For how long a period will the requirements of the navy be covered by this bill?

Admiralty reply: No definite answer can be returned to that question. The program now before you is the minimum consistent with our needs to the end of 1924. It is not considered wholly adequate by the imperial navy department, especially as regards the number of cruisers and submarines, these being types to which special importance is attached. Developments in the naval policy of foreign states can not be ignored by us.

A member: Does this program take cognizance of current naval expenditure in the United States and England?

Admiralty reply: Yes; it was not prepared until the extent of current naval expenditure by those two powers was known to us. Any substantial additions which may be made to either of them would compel us to reconsider our own budget.

A member: Are we, then, building warships against the United States or England, or both?

Admiralty reply: No; against neither. The navy department deprecates such suggestions. But it is obvious that our program must be influenced by what is being done abroad.

A member: The political outlook must indeed be grave if the navy department feels warranted in demanding £88,000,000 for new warships at a time of such pronounced economic stress. The committee would welcome a more detailed explanation of the department's reasons for this heavy demand.

Admiralty reply: The program is dictated by requirements of strategy. It was not drawn up without earnest consideration or without due allowance being made for the country's financial situation. Every nation must, however, be prepared to make sacrifices if it desires to be safe from foreign aggression.

The naval budget of Japan for 1920 and 1921 was materially increased, and it is apparent that the discussion in the Diet which, I understand, preceded an increased appropriation, was precipitated by the policy of the United States in feverishly pushing to completion the 1916 naval program.

Fortunately there were many in the United States who disapproved of the feverish haste with which the United States was building battleships and war craft and who foresaw the serious menace to world peace which would result from the military preparations of the United States. The Washington conference was in response to the growing demands of the American people that the 1916 naval program should be modified or abandoned. Though the Washington conference was not productive of all that it was hoped and desired, it was an important event in human affairs. The work of President Harding and Secretary Hughes in promoting this conference leaves an imperishable monument to their names. The Washington conference demonstrated that powerful nations could meet together and resolve upon practical methods for the reduction of armaments and remove the causes of jealousy and fear and at the same time diminish the causes of war. That conference allayed suspicions and apprehensions which existed in various nations and removed enmities that threatened the peace of the world. It strengthened the belief entertained by millions throughout the world that through international conferences and agreements conflicts might be averted and world peace promoted. It is true the conference did not deal with all naval categories and left much to be desired. I regret that it did not more effectively deal with battleships and with other forms of naval craft. It did, however, march far along the highway of achievement, and the obligation rests upon this country, as well as others, to complete the task of reducing the armaments of the world to the vanishing point and providing judicial and other instrumentalities for the settlement of disputes arising among nations.

It was expected that the London conference would be an important and, indeed, a vital supplement to the Washington conference. I confess that the results of that conference were most disappointing to me. It did not reduce our naval expenses, and as interpreted by many it calls for new naval construction of considerably more than a billion dollars within the next five years. Quite recently Admiral Pratt, the Chief of Naval Operations, transmitted to the House Committee on Naval Affairs a statement which, as I recall, declared that to carry out the terms of the London treaty

\$1,100,000,000 would be required for "new naval construction," which with the air program would make an aggregate of \$1,250,000,000. The hopes of the American people that their naval burdens would be diminished as a result of the London conference have been rudely shattered, and with the ratification of the treaty there have been accumulating evidences that the cost of our Navy will not be diminished, but upon the contrary greatly increased.

Mr. President, in my opinion, no sufficient reason exists to justify expending \$30,000,000 upon the three battleships mentioned. The condition of our Navy does not justify this expenditure, nor does the situation of the world call for this navalistic display. What the world needs to-day is peace and not war; food and clothes and homes and the necessities and comforts of life, not new forts and armed vessels and gaudy trappings of military power. It seems to me that a pronounced atavistic spirit has manifested itself when we spend so much time in talking about war and preparations for war. Certainly there should be no ground for the expressions not infrequently heard in this and other countries, that the treaties which have been negotiated calling for arbitration and renunciation of war, were not animated by sincere convictions and were not expected to be observed. The Kellogg-Briand pact was hailed by millions of people as a harbinger of peace. When the signatories to that pact declared that they solemnly renounced war and promised to settle disputes through peaceful agencies, new hope came into the hearts of men. They knew of the horrors of war; of its devastation and ruin; of its obstacles to progress and to the happiness and welfare of the peoples of the world. They realized that they were struggling under burdens of debt and that their children would be bound by creditors' chains which war had forged; and they looked with the deepest satisfaction and, indeed, inexpressible joy upon this international agreement which gave a promise of world peace.

Mr. President, notwithstanding the numerous treaties among nations calling for arbitration, and the provisions in the League of Nations for disarmament, and the Kellogg-Briand pact, which contains a solemn renunciation of war, we are constantly met with the demand that we must increase our military forces, strengthen our Navy, and expend larger sums for the maintenance of Military Establishments. This Republic occupies a strategic position for the promotion of world peace. Its material strength and power, its impregnable provision from invasion or assault, its freedom from imperialistic designs—all these factors and more, crown it with leadership for the guidance of the world along the paths of peace and world unity. But if the United States, with all its advantages, its strength, its power, shall engage in warlike preparations and employ the language of war, it will, in the words of Secretary Hughes "become essentially provocative." It will arouse fears among other nations, and these fears will be followed by resentments that will have their repercussions throughout the world.

Mr. President, there is too much talk of war, and many in this and other lands believe that a war psychology is being developed which constitutes a menace to world peace. We should be the peacemakers and the leaders along the paths of peace. There is no nation that we fear, no lands that we covet, no ambitions which we cherish hostile to other peoples or nations. We are as a city set upon a hill to point the way to world unity.

In 1935 a world conference will be held in the interest of disarmament. Between now and then every effort should be made to strengthen the forces of peace. If that were done, when this important international conference meets it will breathe the atmosphere of peace and good will. Its representatives will not gather armed with weapons of destruction and filled with suspicions and animosities.

I repeat, Mr. President, when I say that upon this Government rests a responsibility which has never been borne by any other nation in the history of the world. This statement is no disparagement of other nations, nor is it uttered in any spirit of arrogance or pride. Important and power-

ful as are other nations, they do not occupy that advantageous position to carry forward the movement for disarmament and brotherhood that is possessed by the United States. Its responsibility must not be shirked and the crown of leadership must be worn with humility. We must inspire in the hearts of the people everywhere a supreme faith that war must be outlawed, that peace must reign, and that humanity must be drawn within the circle wherein justice is found and the moral law is supreme. I know that this view is derided by many. They regard international peace and fellowship as an iridescent dream and believe that humanity is condemned, like Sisyphus of old, to forever vainly struggle to roll the stone of a redeemed and peaceful world to the summit of international good will.

Mr. President, I have faith in the future, in the spiritual and moral forces operating in the hearts of men, and I believe the day will come spoken of by the Prophet Isaiah, that men "shall beat their swords into plowshares and their spears into pruning hooks, nation shall not lift up sword against nation, neither shall they learn war any more."

Mr. President, in addition to the \$30,000,000 carried by this bill for naval purposes, within a few days the Senate will have before it a measure calling for appropriations of approximately \$375,000,000 to meet the "ordinary" expenses of the Navy Department for the next fiscal year. There is a bill on the calendar reported by the Naval Affairs Committee, the passage of which is being urged, which carries more than \$82,000,000 for the construction of various war vessels to be added to our naval fleet. Among them are one aircraft carrier to cost, including armor, armament, ammunition, and airplanes, \$27,650,000; one flying-deck cruiser to cost, including armor, armament, ammunition, and airplanes, not to exceed \$20,780,000; one cruiser to cost, including armor, armament, ammunition, and airplanes, not to exceed \$16,605,000; submarines to cost, including armor, armament, and ammunition, \$17,600,000. There are other provisions in the bill which may call for further appropriations.

Yesterday, as I am advised, the House considered a similar bill which carries appropriations in excess of \$82,000,000.

Mr. HALE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Maine?

Mr. KING. I yield.

Mr. HALE. I think the Senator is referring to the construction bill that was reported to the House yesterday.

Mr. KING. Yes.

Mr. HALE. I do not think the House has passed the bill.

Mr. KING. Will the Senator advise me as to the amount that the bill carries?

Mr. HALE. I think it cuts out a \$16,000,000 cruiser and carries the figures the Senator has already given with sixteen-odd million dollars cut out of the bill.

Mr. KING. What is the aggregate? Does the Senator recall?

Mr. HALE. About \$70,000,000, with the exception I have stated. That is the same bill that we have before the Naval Affairs Committee now.

Mr. KING. The House will soon pass the naval bill carrying nearly \$400,000,000 to meet the expenses of the Navy Department for the next fiscal year.

Mr. President, in addition to the expenses for the Navy, we are to make large appropriations for the Army. I have in my hands the report submitted by Mr. BARBOUR, of the Committee on Appropriations of the House, dealing with H. R. 15593. As reported, the measure carries more than \$446,000,000. It seems incredible that the cost of maintaining our Army reaches figures of such magnitude. That amount is greatly in excess of the total expenses of Germany for her mighty army at a time when it was claimed she was preparing for a great military conflict. I should add that a part of this sum is for other purposes than military. The appropriations asked by the executive department for the Army and the Navy for the next fiscal year will amount to more than \$800,000,000.

Mr. President, this is a stupendous sum to appropriate for military purposes for one year, but this does not end the chapter. The President and the Navy Department are calling upon Congress to expend within the next five years, as I recall, more than \$1,100,000,000 for new naval construction. It is contended that this must be done to meet the requirements of the London naval treaty, which has received so much unwarranted praise.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Massachusetts?

Mr. KING. I yield.

Mr. WALSH of Massachusetts. I should like to inquire what information the Senator has that the President approves the program.

Mr. KING. The delegates of the United States to the London conference, if I understand their position, interpret the treaty as calling for an appropriation of more than a billion dollars for new naval construction before the end of 1936. The President has approved the treaty and, as I understand, places the same interpretation upon it as is given it by our delegates. Moreover, as I am advised, the President desires that Congress shall appropriate approximately \$80,000,000 during this session to begin new construction of naval vessels, which will constitute a part of the program requiring an expenditure of between \$1,000,000,000 and \$1,200,000,000. I think the statements of one or more of the delegates before the Foreign Relations Committee of the Senate fully confirm what I have just said.

Mr. WALSH of Massachusetts. I am aware of the fact that in order to make the London treaty an actual fact it is necessary to spend the sum of money named by the Senator; but I have not yet been informed as to what the President's attitude in this matter is.

Mr. KING. My recollection is that the President, either in his letter transmitting the London treaty to the Senate or upon another occasion, approved the treaty and recommended not only its ratifications by the Senate but the naval construction program which it seems to authorize but does not command. As I understand, the view has been generally accepted by the executive department, as well as by the country, that the treaty which the President asked to be ratified contemplated that the United States would expend more than a billion dollars for new naval construction prior to the close of 1936.

Mr. WALSH of Massachusetts. Does the Senator think that everybody who supported that treaty should vote for increased appropriations to build the number of vessels necessary to place our Navy on a parity with the navies of other countries?

Mr. KING. No.

Mr. WALSH of Massachusetts. That is why I inquire about the President's attitude, because I know that there are certain Senators who do not feel that they ought to support a program for the purpose of building the Navy up to those requirements, and I hope the President does support the program.

Mr. KING. I hope the President will not further urge that the entire program of construction referred to shall be carried out. Of course, a situation might arise calling for large expenditures for new naval vessels, but in my opinion there is nothing now apparent to justify entering upon a construction program involving over twelve hundred million dollars. Certainly the treaty is not a mandate for the United States to spend that huge sum for new naval vessels. It was not a signal for the participating nations to enter upon a naval construction race. I am forced to state, however, that, as I understand the President's attitude, he has given approval to the work of our representatives in the London conference and, as stated, has recommended or will recommend that this Congress make an appropriation of approximately \$80,000,000 for new naval construction, and may I add that the \$30,000,000 carried by the bill before us

constitutes no part of the new naval construction program which it is claimed is authorized by the London treaty.

May I say to the Senator that I voted for the treaty reluctantly. I was not satisfied with its terms and believed that it did not accomplish what was expected by the American people.

The country had been led to believe, from the statements emanating from the conference between the President of the United States and Mr. MacDonald, that a treaty would be negotiated that would materially reduce naval costs and halt naval competition. Premier MacDonald had stated that the question of parity was of no importance, that the United States could have parity until it was overflowing; and President Hoover had stated that—

We will reduce our naval strength in proportion to any other. Having said that, it only remains for the others to say how low they will go. It can not be too low for us.

Mr. President, in the consideration of international questions, particularly where they involve policies of the executive department, I am willing to go a long way in giving them support, particularly if the President is not of my political faith. I want always, if I can, to support the executive department in its conduct of international affairs. I have believed that there should be no partisanship in the consideration of executive policies dealing with international questions.

Apropos of my reference to Premier MacDonald, permit me to further state that he announced before or during the London conference the willingness of his Government to reduce the number of capital ships with a view to their elimination.

Mr. REED. Mr. President, will the Senator yield for a question?

Mr. KING. I yield.

Mr. REED. Can the Senator tell us when that sentiment was expressed by Mr. MacDonald?

Mr. KING. Mr. President, the press contained many statements to the effect that the British Government was desirous of taking up at the conference the question of capital ships; and, as I remember, some newspapers were critical of the American delegation when it was reported that they were unwilling to consider that question, but preferred to confine themselves to the consideration of the cruiser problem.

Mr. REED. Mr. President, if the Senator will permit me to interrupt him, I would like to say that I never heard that Mr. MacDonald had ever expressed a willingness to consider the abolition of capital ships. The only suggestion I heard on that score came from nations which had no capital ships of any account and which, consequently, were very anxious to have us destroy ours. I do not remember that the British ever advanced that suggestion.

Mr. KING. Mr. President, I feel confident, if we are to believe the numerous reports which came from abroad, that the question was suggested by Mr. MacDonald that the conference consider the question of limiting capital ships, with a view to their ultimate elimination, and the press reported that our delegation declined to consider the proposition, but, upon the contrary, made the suggestion that the United States be authorized to construct another capital ship of the Hood type.

Mr. REED. A great many propositions were made to and fro in a process of trading, naturally. We wanted to be sure that the right to modernize these ships was recognized. There was a suggestion at one time by the British about reducing the tonnage of capital ships, but I assure the Senate that no matter what the newspapers may have sent—and they seemed to have sent a good deal of everything—there was no responsible suggestion from the British that capital ships be abolished.

Mr. HALE. Mr. President, will the Senator yield to me a moment?

Mr. KING. I yield.

Mr. HALE. The Senator from Pennsylvania stated that at one time there was a suggestion by the British about de-

creasing the size of battleships. There never was any question, was there, of the British giving up their present ships?

Mr. REED. Not at all. It was always assumed that they would keep the strongest ships they now have, including the *Hood*, which is a bigger ship than any ship any other country in the world has.

Mr. HALE. The *Hood* is a cruiser.

Mr. REED. Yes; a battle cruiser.

Mr. KING. Mr. President, it is my recollection that the question was—if not formally, then informally—suggested by representatives of Great Britain, France, and Italy of reducing the number of battleships permitted under the Washington treaty of 1922 and of prolonging the lives of battleships and of considering in a general way the question of capital ships. My recollection is that no encouragement was given to that suggestion by the representatives of the United States.

Mr. REED. Mr. President, does the Senator wish to have me answer that now?

Mr. KING. Just as the Senator pleases.

Mr. REED. It is perfectly obvious that the situation today is that Great Britain and the United States and Japan, having the only modern battleships there are in the world, dominate the seas, and all the other nations, such as France, Italy, Germany, and Spain, which are building up navies, and which have no battleships, would be perfectly delighted to have us sink ours. The suggestion never was seriously considered, either by the British Admiralty or by our own admiralty, or, so far as I know, by the Japanese Admiralty.

Mr. KING. Mr. President, I have no doubt that many nations would be glad to see battleships abandoned. I think a majority of the people of the United States, appreciating the development of the submarine and the airplane, and the new instrumentalities of war, would be glad to see battleships abolished by all nations. I believe they approve the views of Admiral Sims, of Sir Percy Scott, and of many other great naval experts here as well as in other countries, who declare that the present relative strength of the navies of the world could be maintained, even if all capital ships were abandoned.

Mr. President, recurring to the position which I understood was taken by Prime Minister MacDonald, I can not help but believe that he, as well as the representatives of France, Japan, and Italy would have been glad to expand the work of the conference and to add to its agenda, the question of reducing, if not abolishing, capital ships. I recall that Mr. MacDonald, a short time before the conference, made a statement to the effect that the position of the British Government was in favor of the ultimate abolition of the battleship. Shortly after the opening of the conference a memorandum was prepared by the British delegates declaring the position of the Government on various questions to be considered in the conference. This memorandum—or the substance of it—was subsequently published as an official white paper of the British Government. The press summary which I saw was as follows:

The Government proposed that the number of capital ships for each signatory fixed by the Washington Treaty should be reached within 18 months of the ratification of the treaty resulting from this conference instead of by 1936. It proposes that no replacement of existing ships should take place before the next conference in 1935 and that in the meantime, the whole question of capital ships should be the subject of negotiation between the powers concerned. The Government will press for reduction though, of course, without disturbing the Washington equilibrium. Its experts favor a reduction in size from 35,000 tons to 25,000 tons and of guns from 16 inches to 12 inches. They also favor a lengthening of the age from 20 to 26 years. The Government hopes that there will be an exchange of views on this subject during the conference. *Indeed, it would wish to see an agreement by which battleships will in due time disappear altogether as it considers them a very doubtful proposition in view of their size and cost and of the development of the efficacy of air and submarine attack.*

It will be observed that this proposition went directly to the question of the abolition of capital ships; it also called for a reduction in the number of capital ships, and also a reduction in their tonnage from 35,000 to 25,000 tons. It also proposed the lengthening of the age from 20 to 26 years.

My recollection is that the Italian and French delegates signified their willingness to discuss the question of capital ships and their reduction if not their abolition.

I have before me a copy of the *New Republic*, dated February 12, 1930, in which the question, "Can battleships be abolished now," is discussed. Reference is made in this article to the offer of Mr. MacDonald to abolish battleships.

The writer states that—

Ramsay MacDonald has offered the world the first opportunity it has ever had completely to scrap a great section of its armament. Mr. Hoover's Government has blocked that program, and, if it maintains its position, will completely scuttle it at London.

I do not agree with that latter statement.

Both of these actions are surprising, but more amazing still is the apathy of the American public.

For once there is a real possibility that the nations of the world can engage in sweeping disarmament. Their governments are hard pressed on budgets; their peoples cry out for food, shelter, and employment; huge savings that would follow the elimination of the battleship would be a godsend to them, and they are willing to make the considerable sacrifice of pride and tradition that would be required.

Without reading the article further, Mr. President, I desire to insert excerpts from it in the *Record*.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The excerpts referred to are as follows:

... Mr. MacDonald created an unusual opportunity for public discussion and individual judgment. He made the American Government's policy on battleships an issue by bringing it into the open. The administration at Washington was not grateful. It was "surprised" that the British Prime Minister should drag the whole matter before the public "in the face of the fact" that he was fully informed of the Washington Government's settled opposition to his proposal. It was an embarrassing position to be placed in, and the administration had to make the best of it. Therefore the public was informed that Washington did not "expect" agreement on abolition, although the American delegation would do everything it could to secure an extended holiday in replacements and actual reduction. ... Mr. MacDonald had offered them a perfect opportunity to make an issue of the disappointing position of the American Government. One looked for a broadside in the press, from the pulpits, over the wires, on the air, demanding that Mr. Hoover and his representatives go the whole way with the British, if not farther. Very little, if anything, happened. There were no editorials, largely because no one pointed up the issue; Washington had said there was no issue; that no agreement could be reached; and that was accepted without protest. There was not sufficient comment in the press to furnish material for a review of the battleship question in the *Literary Digest*. Liberal journals and peace organs felt some observations were called for, but they were not particularly concerned; they imagined that, with great astuteness, the American delegation might be creating a strong bargaining position for use later on, and they considered a prolonged holiday about all that could be expected, leaving the nations another opportunity to agree on real abolition later on. There were counsels of caution—Washington and the delegation knew what they were about and should not be embarrassed by a show of disagreement at home. Word was passed round that the administration was advising peace forces to refrain from open criticism lest they arouse the military factions to greater activity. Every plausible reason for inaction was discovered. For once there is a real possibility that the nations of the world can engage in sweeping disarmaments. Their governments are hard pressed on budgets, their peoples cry out for food, shelter, employment. The huge savings that would follow the elimination of battleships would be a godsend to them, and they are willing to make the considerable sacrifice of pride and tradition that would be required.

Correspondents in London and Washington reiterate, "There is no change in the American position." ... There is, at least, an even chance that these optimists are foolish and deluded. There seems little doubt that the American delegation is using all of its influence to keep battleships out of the discussion, or at least to postpone consideration of them to the last, and they probably have sufficient force back of them to get their own way with the agenda. If battleships are taken up after agreement has been reached on other craft, it is clear there will be no abolition and no great reduction. Elimination of first-line ships at that time would force the conference to start at the beginning again and readjust all the schedules in the light of the changed situation, for not only the relative strength of the powers but also the character and number of all types of fighting ships must be determined in relation to capital-ship strength. The conference could not leave battleships to the last if it meant to eliminate them. ... Of all the national positions taken at London the American opposition to capital-ship abolition is the weakest and most unconvincing. It could be given up with the least sacrifice, and if not graciously there will be little bargaining power with which the American delegation can urge others to make more real

sacrifices. Nothing could do so much to create a new atmosphere of trust and confidence as a change of position at Washington * * *

Mr. KING. I have a clipping from the Ontario Morning Journal of February 12, 1930, containing an editorial under the head, A Surprising United States Demand. I ask that it be inserted in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

* * * The painful surprise of the naval parley is America's demand for the right to build a new battleship of the most powerful class on the ground that she is to make her category of capital ships equal to Great Britain's. The startling announcement was kept back from the public for nearly a week after it was made at the conference for obvious reasons—for fear of the bad effect it might have on the situation. And, no wonder. It flies in the face of Britain's proposal to abolish battleships altogether, and, failing that, to prepare the way gradually for such elimination. It flies in the face of Mr. Hoover's strongly expressed determination that there should be not only limitation of naval armaments but actual reduction. The President's Armistice Day speech contained the words: "It only remains for the others to say how low they will go. It can not be too low for us." The new proposal to lay down the most powerful capital ship in the world will, if accepted, block the path of naval reduction for years to come, for it will take years to build and years will elapse after that before the nation would be willing to sink it. * * * Let it be repeated that the British proposals concede parity to the United States, but advocate that such parity should be based on lesser allotments of ships in some categories and a total elimination of others. As presented by Premier MacDonald, Britain would like (1) to bring about the entire abolition of battleships or, if that is impossible, a reduction in the size and gun power in new battleships with a view to their ultimate disappearance. It would proceed by various devices of hastening scrapping, delaying replacements, increasing the age of ships, and reduction in the size of ships and guns; (2) to suppress submarines entirely or, failing that, to reduce their size and numbers; and (3) to curtail the number of destroyers. What the British Prime Minister desires is the longest possible immediate step in all-round naval reduction as the basis of much more radical cuts at future conferences. In short, the joint governments of the British Empire believe the conference ought not only to reduce the existing fleets and building programs but to put an end finally to competition in naval armaments as a means toward the establishment of peace on an unassailable basis. * * *

Mr. KING. In support of my statement that the press discussed the proposition of Ramsay MacDonald relating to battleships, I call attention to an editorial in the Portland (Me.) News, January 31, 1930, which I ask to be inserted in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to reads as follows:

It can not be too low for us.

Premier Ramsay MacDonald, representing Great Britain, having already yielded the centuries-old position of Britannia's rulership of the waves, and conceded naval parity to us, offered the United States complete abolition of battleships.

Henry L. Stimson, head of the American delegation to the London conference, the purpose of which is naval disarmament, does not quite see his way clear to accept the complete abolition of battleships.

Secretary Stimson, however, urges that the submarine be abolished, and states that the United States is willing to do away with undersea vessels entirely.

France, however, can not quite see its way clear to abolish the submarine completely.

Given the example of the United States in respect to Great Britain's clean-cut and definite offer to abolish a category of war vessels, one can not exactly blame France for hesitating about yielding to our request for the abolition of a category of ships which she deems useful for defense.

How practical, how effective, and how tangible a result it would have been had the United States promptly accepted Great Britain's offer to abolish battleships.

How logical and irresistible would then have been our demand to France that she, too, abolish an entire category of war vessels—submarines.

How further consistent such a position of the United States would have been in view of the declaration in President Hoover's Armistice Day address:

"We will reduce our naval strength in proportion to any other. Having said that, it only remains for the others to say how low they will go. It can not be too low for us."

What an achievement it would have been if, within a week of the opening of the conference, the world could hear that:

I. Battleships had been abolished.

II. Submarines had been abolished.

And how infinitely greater would not then be the momentum for cutting drastically into the remaining categories—cruisers, destroyers, airplane carriers.

Then arms reduction would have been a fact, a glorious fact, a great accomplishment.

It is not yet too late to hope for such a result.

Public sentiment throughout the United States might yet achieve it.

Mr. KING. In an editorial appearing in the Rochester (N. Y.) Times-Union, February 17, 1930, this statement is made:

The Times-Union does not believe the Nation or the people want a superbattleship of the type suggested by the experts of the American naval delegation in London.

The editorial further proceeds:

Those who view this conference as one of a series of steps toward removing fear, and the hostility born of fear, from the world, will ask little argument on this point. Commitment to the building of a new capital ship at tremendous expense would be a poor, a very poor result to place before the American people as the result of a conference called for the express purpose of limiting or actually reducing armaments.

For those who are less hopeful regarding ultimate disarmament and lasting peace, there are certain practical considerations which should weigh heavily against building such a superbattleship.

First. We believe there is grave doubt as to the future or present utility of the monster battleship as an instrument of naval warfare. The new weapons of the sea, the constant progress being made in the design, range, and power of both airplanes and submarines, lend force to this view. It is held by many naval experts, British, Japanese, and American. The French have long leaned to this theory.

Furthermore, we do not believe the United States Fleet needs such a ship to equal the British. We have to-day three battleships armed with a total of twenty-four 16-inch guns. The British fleet has two ships armed with a total of eighteen 16-inch guns. If 5 of Britain's 20 capital ships are scrapped and 3 of America's 18, we shall have numerical parity and probably as close to power parity as is possible.

To sum up, the superbattleship proposal should be snubbed decisively because it is contrary to the entire trend of international thought and effort, because it is of doubtful naval value, and because it is not needed for defense.

The Waterbury (Conn.) Republican, February 6, 1930, referring to the reported agreement between Secretary Stimson and the British Government to scrap three American capital ships and five British ships, states:

LIGHTENING THE LOAD

The agreement which is reported to have been reached between Secretary Stimson and the British Government to scrap immediately three American capital ships and five English, and extend the building holiday in this class of ships until 1936, is eminently sensible. The proposal is not a radical departure from programs already established but simply seeks to accomplish at once what will occur in 1936 under the terms of the Washington treaty.

The other three countries represented at the conference are not so closely affected. Japan, with 10 capital ships, would have to scrap 1 to bring about the established ratio of 15-15-9. France and Italy have for some time shown an indisposition to build the huge dreadnought and are concentrating their efforts on small craft. Even if the scrapping of eight or nine capital ships had no moral effect, its economic consequences are well worth weighing. It costs America \$3,500,000 a year to maintain and operate a capital ship. If three were discarded the annual saving would be \$10,000,000 and the total for the five years would be \$50,000,000. England's saving might be placed at between \$60,000,000 and \$70,000,000, and Japan's at about \$10,000,000. The greatest saving, however, would be accomplished by a suspension of the program of replacing ships within the next five years. Both the United States and England are due to lay down eight capital ships each in that period, with a cost to the United States of \$400,000,000, to the British of \$300,000,000, and of \$200,000,000 to Japan for the six capital ships she is entitled to build. The grand total is a billion dollars for the three, and \$450,000,000 for the United States. The proposal, if adopted, would prove an appreciable lightening of the burden, especially for England, where there is a decided pinch.

Not only would such an agreement constitute a blessing in itself but it should become a long stride toward the ultimate goal of disarmament. With capital ships reduced in 1936 to 15 in each navy, it would be easy to reach another agreement to allow the old ships to be discarded without replacements, reducing the number perhaps to 10, and eventually to none. With nations used, then, to the idea of reduction, the war on armaments should progress even more swiftly.

The Dayton (Ohio) News, in its issue of March 13, 1930, in discussing the London conference, states that the obligation rests upon America—

To lead off for disarmament. * * * We have seemed to become demanders of armament for ourselves rather than offerers of disarmament for all. * * * The American delegation has seemed to be the obstacle to the abandonment of the dreadnought.

To show that the question of the abolition of battleships was directly or indirectly before the London conference and

was discussed not only in the United States, but in Great Britain, I call attention to an editorial from the Ottawa (Ontario) Morning Journal, January 22, 1930. The editorial is entitled, "Will the Battleship Go?" I ask that it be inserted in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

It is clear from the cable dispatches that Great Britain, for centuries mistress of the seas, still leads all nations in her supreme efforts to get real results from the naval conference which has just opened in London. Mr. Ramsay MacDonald has expressed the hope that battleships may be abolished, if not forthwith, at least gradually. This proposed departure has the backing not only of the Labor Party, but also the conservative or unionist opposition. Conservative newspapers, such as the London Times, the Morning Post, and the Morning Telegraph have been campaigning recently for battleship abolition. So too the influential British weekly press has united in advocating suppression of big capital ships. The New Statesman is quoted as saying, "To reduce the maximum size of battleships from 35,000 to 30,000 or 25,000 is not enough. If battleships can not be abolished altogether, they ought at any rate to be limited to 15,000 or even 10,000 tons." The Spectator observes "The sole function of battleships is to fight battleships. If they were abolished no country would be in a more dangerous position than it is to-day." The Saturday Review says that the two main questions before the conference will be the Mediterranean situation and battleships. It repeats Sir Percy Scott's question, "What is the use of the battleship?" It adds that battleships are simply ships to be used in battle. If there is anything in the Kellogg peace pact outlawing offensive war, they should go.

France and Italy apparently second Britain's proposal to eliminate battleships. Le Temps, of Paris, declares: "It must be admitted that if consolidation of peace by reduction of armaments is sincerely desired, Mr. MacDonald is in the right. Capital ships are the offensive weapons par excellence. It is this arm which in good logic must first be reduced or suppressed before a beginning is made in limiting the essential means of defense." In short, European critics join in emphasizing the argument that the battleship is an essentially aggressive weapon, and that the conference, proceeding from the Kellogg pact, should turn its attention first to these offensive ships, because the antiwar pact justifies only wars in self-defense.

At the time of Mr. MacDonald's visit to Washington Mr. Hoover protested that reductions could not be too drastic for the United States. In spite of this Mr. Edwin J. James, who accompanies the American delegation in London as a representative of the New York Times, cabled his newspaper last week:

"Official and unofficial evidence points to the United States refusing to adopt the principle of the eventual wiping out of capital ships. It has been emphasized that America regards battleships as the backbone of the Navy. While with possible modifications America would agree to the postponement of replacements until 1936, it seems there is little likelihood that Washington will accept the idea that the biggest warships of the future should be only about one-third the size of the capital ships of to-day."

The week closed with the impression that the United States, proponent of the Kellogg pact abolishing war as an instrument of national policy, would block the apparent wish of all the great powers, except perhaps Japan, to have battleships discarded as by far the most expensive and by all means the most aggressive and warlike of all naval units.

Mr. KING. Mr. President, I can not help but feel that the London conference failed to interpret the letter as well as the spirit of the Kellogg-Briand pact. As I have said, that was a solemn treaty entered into by substantially all nations of the world, renouncing war in favor of the settlement of all disputes by peaceful means. No wonder cynical and critical expressions are constantly heard that the peace pact was a mere gesture to satisfy the idealists, but was intended to be interpreted literally.

Senators will recall that an appeal was made to the American delegates, which was signed by more than 1,200 of the leaders of thought in the United States, urging that the conference conduct its negotiations " * * * in full remembrance of the fact that all of the powers of London have agreed in the pact of Paris to renounce war in favor of settling disputes by peaceful means." This message was a powerful appeal to the American delegates in favor of the reduction of armaments and the application of the principles of the pact of Paris to the work of the conference. In my opinion, Mr. President, when the London conference met the time was ripe for the adoption of a policy in harmony with the Kellogg pact and that would save the world hundreds of millions of dollars annually now expended for military purposes.

Mr. President, I have a large number of clippings from newspapers in the United States and elsewhere published during and immediately following the London conference, in which the work of the conference is discussed. These clippings deal with the question of the abolition of battleships, and substantially all declare that battleships should be abolished. In these publications the hope is expressed that the conference will reach an agreement materially reducing naval armaments. I ask that a number of these editorials and the clippings referred to be inserted in the RECORD without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The clippings referred to are as follows:

[From the Portland (Oreg.) Journal of March 3, 1930]

GOOD NEWS FROM LONDON

Splendid news comes from the London conference with regard to battleships. A late dispatch carries the following information:

The project for a super-Rodney dreadnought for the United States has been virtually abandoned, the Americans having suggested other means of achieving real parity of the Anglo-American fleets, in addition to the proposal for the British scrapping five ships and the Americans three in the near future.

In the first place, the London conference was called for the purpose of reducing naval vessels and curtailing costs, not for the purpose of getting additional vessels built at \$50,000,000 apiece. In the second place, there is probably no point at which reductions can be made with greater safety and greater savings than in costly battleships. They cost more to build than other vessels. They cost more to operate. They cost more to maintain. They cost more to replace. And are they obsolete? A goodly number of experts say so.

An aircraft carrier undoubtedly carries greater destructive power. It can carry a fleet of nearly 100 airplanes. The planes can carry tremendous bombs of 2,000 to 4,000 pounds apiece. The firing radius of the planes is greater than that of the large naval guns and the bombs are immensely destructive. It is extremely doubtful if a battleship fleet could meet an aircraft carrier with its planes on even terms. A battleship can not catch a cruiser. It is in extreme danger from submarines and aircraft. Admiral Sims, naval leader in the late war, says that in the event of hostilities an American battleship fleet would have to seek safety up the Mississippi River.

What is more natural, then, than naval reduction should take place where the heaviest savings can be made and where it is probably safest to reduce? What is more natural than to reduce the number of vessels that may be obsolete and vessels that are the most costly to build, the most costly to maintain, and the most costly to operate?

[From the Worcester (Mass.) Post, February 26, 1930]

WHY IS REDUCTION FORGOTTEN?

President Hoover's pledge of "the greatest reduction consistent with security" seems to have been forgotten by the American delegation at the London conference. Messages to the White House are asking why reduction is forgotten and the President's pledge ignored.

Affairs of the conference, up to its recess to allow France to take out time to elect a new premier, progressed far from the spirit of the pledges made by all five nations on its opening day. Now, there is talk of a 3-power instead of a 5-power pact, one which would leave out France and Italy whose overemphasis of security has provided jarring notes. Already there is a disposition on the part of the nations to fashion excuses and to assert innocence of guilt.

Great Britain has proposed the abolition of battleships. Instead of supporting this proposal, which the other powers showed a willingness to consider, our delegation put forward a program for the United States to build immediately a superbattleship. This grotesque proposal of course pleased some of the naval experts who seem to have dominated the conference but what of the millions of Americans who are undoubtedly with the sentiment expressed by President Hoover in his Armistice Day address when he said: "No American will arise to-day and say that we wish one gun or one armed man beyond that necessary for the defense of our people. To do so would create distrust in other nations, and also would be an invitation to war."

The size of the French naval program has raised havoc with the parity arrangements between America and Great Britain. This comes about because of Great Britain's view, or at least that of its naval experts, that she needs a surface navy equal to that of both France and Italy for her security. If she has such a navy and we insisted upon parity it is clear that large-scale increases instead of reductions in armament would follow.

When the United States refused the British proposal for the abolishment of battleships it lost an opportunity for large-scale reductions. In so doing it did not live up to its pledge.

"Parity by increase of our already excessive naval appropriations would be a betrayal of the people. It would cost the United States some \$840,000,000 during the next five years if the naval-building program which now threatens is carried out. It is not at all probable that the American people are going to be

satisfied with any such result so at variance with the main purpose for which the London conference was called."

[New York Times, February 4, 1930]

NAVIES NO LONGER NECESSARY, SAYS AMBASSADOR CASTLE

William R. Castle, Jr., our ambassador to Japan for the period of the London conference, in his first public utterance at Tokyo, said:

"If all the naval vessels in the world were sunk, it would not endanger national security. We do not want guns to defend ourselves against our friends."

[From leading editorial in New York Times, February 14, 1930]

It is necessary, no doubt, for the admirals and the experts and the statesmen to get out pencil and paper and do an immense lot of figuring about battleships and submarines and airplane carriers and all the rest. But when they have done, there will be something to be reckoned with higher and more important than mathematical demonstrations, namely, that appeal, or demand, of the masses of men and women in all parts of the world, to which President Hoover made reference in his Armistice Day address.

NAVAL REDUCTION UPWARD

[Editorial appearing in Scripps-Howard newspapers]

The American naval proposal at the London conference is disappointing. It is not the reduction which President Hoover has demanded in public statements.

An opportunity existed. As William Philip Simms, Daily News correspondent, reported from London a week ago:

"The United States is able to obtain a show-down on naval armaments whenever it wants to by proposing a plan for the abolition of battleships as now defined. This would leave the country with a navy second to none and in a position to upbuild her merchant marine."

Instead the United States has refused to accept the British suggestion for battleship abolition, and thereby has sacrificed the only opportunity for large-scale reduction in American total naval tonnage and naval expenditures.

This puts the United States in the unenviable position of not living up to its pledge. For on Armistice Day President Hoover declared:

"We will reduce our naval strength in proportion to any other. Having said that, it only remains for the others to say how low they will go. It can not be too low for us."

Britain's willingness to wipe out battleship tonnage was "too low for us."

And as Britain will not cut her cruisers to our present strength, the only way to achieve parity is to increase American tonnage up to her partial cut—all of which seems to end any chance of the reduction which President Hoover said was necessary.

What America now proposes is for Britain to scrap 5 battleships while we scrap 3, leaving each power with 15 battleships and more money to spend on new cruisers, which are the real battleships of the future.

To build up to the figure proposed by the United States we shall have to spend about \$235,000,000 for new cruisers. Instead of our present 80,000 cruiser tonnage, or 200,000 tons if ships now under construction are included, we ask at London for 327,000 tons.

Whatever may be said for or against such a proposal, it certainly is not the original Hoover plan and it is not naval reduction.

Destruction of three old battleships of doubtful value is no compensation for the huge American naval expansion proposed at the London conference.

BRISBANE CALLS BATTLESHIPS OUT OF DATE

[Arthur Brisbane, in New York American, January 13, 1930]

MacDonald, intelligent British statesman, would abandon battleship building. Our delegates to the naval conference do not want the battleship given up. But for their high character you might think they had heard the siren voice of battleship and armor-plate lobbyists.

Battleships are out of date, mere targets for airplane bombs, profitable only to their makers, costing fifty to sixty million dollars each.

Perhaps our delegates will hear from President Hoover, who is not out of date, and knows that Britain's great battle fleet played no part in the last war, primitive aircraft and submarines making it useless. What would modern planes and submarines do?

[Detroit Free Press, February 10, 1930]

The fact that Great Britain's spokesman dared to suggest the elimination of battleships indicates that the Admiralty has an eye to that remote day when navies will be reduced to police duty and wars will be fought in the air.

(Alvin C. Goddard, executive secretary World Peace Commission of the Methodist Episcopal Church, in the chain of Christian Advocates, January 30, 1930)

As the conference convenes it becomes increasingly evident that the battleship is to be its crux. The fate of the battleship appar-

ently depends upon the attitude of the American delegation. If our delegates back President Hoover in the statement that he made on Armistice Day, the battleship is doomed. In his Armistice Day address before the American Legion President Hoover laid down the American position in the following words:

"We will reduce our naval strength in proportion to any other. Having said that, it only remains for the others to say how low they will go. It can not be too low for us."

[Newport (R. I.) News, January 25, 1930]

If, to-morrow morning, all the battleships in the world were to be taken out to sea and sunk without a trace, taxpayers would have a vast sigh of relief and nobody would be hurt. No nation would sacrifice anything.

[Cleveland Press, January 27, 1930]

Nations need battleships only because other nations have them. If all of them were sunk, no one would be in danger and the world would probably be better off.

Mr. KING. Mr. President, there are those who insist that when the Washington conference announced that a ratio of 5-5-3:1-8-7 should be applied to the capital ships of the United States, Great Britain, Japan, France, and Italy, that the same ratio must be extended to all categories, and that the fleets of the respective countries must be built in conformity with that ratio. There are those who seem to think that that ratio is a sacred and holy thing, that it possesses some magical or some mysterious power, and that any departure from the ratio by either of the signatories to the treaty would result in disastrous consequences. With this view I am not in accord. But if it be assumed that such ratio is to be applied by the various nations in their naval construction, it does not mean that the United States must have 20 battleships and Great Britain 20 and Japan 12, and France and Italy the number fixed by the application of the ratio. The same result would be obtained if the number of battleships was greatly reduced and the ratio retained. If the United States had 10 battleships and Great Britain 10 and Japan 7, that would sustain the same equality of strength as when the number of ships in the same ratio was much larger. There is no reason why parity may not be obtained between Great Britain and the United States and Japan if the two first named had 5 battleships each and Japan 3. It is possible that the United States might derive some advantage, even though the ratio were maintained, if the number of battleships was reduced to 5 for Great Britain and 5 for the United States. Great Britain has possessions in all parts of the world which look to her, in part at least, for protection; and the fleet of Great Britain would perhaps be relatively weaker with a lower ratio than that of the United States where the same ratio is preserved. It is contended that there are naval obligations resting upon Great Britain somewhat different because of her diversified and multitudinous holdings, which she has to protect and defend, than those of the United States, whose Navy is largely for defensive purposes.

Mr. ODDIE. Will the Senator yield to me?

Mr. KING. I yield.

Mr. ODDIE. Does the Senator from Utah think that it is not necessary that the United States protect her far-flung commerce on the seven seas?

Mr. KING. Mr. President, the Senator from Utah did not intend to make that statement.

Mr. ODDIE. Such an inference might be drawn from what the Senator from Utah said about the necessity for Great Britain maintaining a certain naval force.

Mr. KING. I said, or intended to say, that Great Britain had possessions in all parts of the world and that if we had only 5 battleships and Great Britain but 5 we would have a relative advantage over her greater than if each country possessed 15 capital ships. It occurs to me that Great Britain would suffer more from a reduction in the number of her naval craft than would the United States. If she had but five battleships she would be at a greater disadvantage in a contest with the United States, other factors remaining the same, than if her fleet were larger. The Senator from Nevada referred to our "far-flung commerce on the seven seas." It is true that our foreign commerce is extensive; in

1929 it amounted to nearly \$10,000,000,000, but we have few possessions. The United States is practically self-contained and so favorably situated as to be immune from invasion or attack. It is true we have the Philippine Islands, Hawaii, Porto Rico, Guam, and a strip across the Isthmus of Panama. Perhaps I should add that we have Nicaragua, or at least we have had marines there for many years, and have had more or less to do with elections there and the control of the country. The Philippine Islands, however, will not forever be a part of the United States. From a military standpoint they are a liability rather than an asset. Mr. Roosevelt, a short time prior to his death, stated that they constituted our "Achilles heel" and, in the event of war with a naval power we would be unable to protect them. Of course it is the duty of our country to defend and protect itself and to afford protection to American citizens, and so long as other nations have navies the United States must have one. That does not mean that the United States should not take the lead to bring about limitation of armaments, with a view to ultimate disarmament, and to set up international tribunals for the settlement of international controversies.

Earlier in my remarks I referred to the discussions in the Senate as to the propriety of carrying out the 1916 naval program. In a report, which I submitted to the Senate, I insisted that the lessons of the war demonstrated the importance of submarines and airplanes and called for a revision of our policy and a modification of our program with respect to battleships.

I believed that our naval board and the Navy Department did not fully appreciate that new methods of warfare had been developed and that for the future the battleship had lost much of its importance. Believing as I did that in the condition then existing throughout the world the United States must maintain a suitable Navy, I urged that the establishment of a Bureau of Aeronautics for the development of aerial weapons of war and a Bureau of Submarines for the development of that important naval weapon. I might add parenthetically that I believed our military expenses were entirely too great and could be materially reduced if economies and greater efficiency were brought about. I also urged that a department of national defense be organized which should have control of all activities, on land and sea and in the air, connected with the protection of our country and the conduct of military operations.

One department with three assistant secretaries, one for the Army, one for the Navy, and one for all forms of aviation, would coordinate all activities connected with the Army and Navy. One organization for our national defense would prevent overlapping and duplication, and would unify all forces necessary in war or peace for the protection of our country.

Mr. President, I have referred to the enormous appropriations annually made for the Army and Navy. I desire to point more in detail to the progressive character of these expenditures. Mr. Charles P. Howland, director of research of the council on foreign relations, in its Survey of American Foreign Relations published in 1930, submits a statistical survey of pre-war expenditures for naval and military defense and indicates the growth of fear under the stimulus of armament competition and increasing wealth to indulge it. The following appears on pages 384 and 385 of the work referred to.

Defense expenditures in dollars (millions)

	1858	1883	1908	1913	1928
Great Britain.....	111	140	295	385	575
United States.....	39	64	293	335	737
France.....	95	115	220	410	455
Germany.....	25	100	295	500	185
Italy.....	10	60	90	145	255
Austria-Hungary.....	55	65	105	120	—
Russia.....	95	180	300	460	485

The above table shows that the great powers spent five times as much on armament in 1913 as they did in 1858. The increase in armament expenditures between 1908 and

1913 was in most cases more than 50 per cent. In those years, it is estimated that European powers spent forty-five thousand million dollars, of which thirty-eight thousand five hundred million dollars, or more than five-sixths, were spent by Great Britain, France, Germany, Italy, Austria-Hungary, and Russia.

According to Mr. Howland, the military expenses of the United States for the years 1914 to 1929, inclusive, were as follows:

Year	War Department	Navy Department	Total
1914.....	\$194,939,626	\$144,982,547	\$339,922,173
1915.....	188,476,640	150,357,571	338,834,211
1916.....	189,286,924	153,097,154	342,384,078
1917.....	443,082,460	320,718,084	763,800,544
1918.....	7,592,813,043	1,606,052,674	9,198,865,717
1919.....	16,003,818,562	1,793,682,080	17,797,500,642
1920.....	876,464,936	910,560,128	1,787,025,064
1921.....	494,974,977	453,578,251	948,553,228
1922.....	459,080,356	489,651,232	948,731,588
1923.....	359,591,500	300,513,661	660,105,161
1924.....	355,210,518	325,322,863	680,533,381
1925.....	341,339,807	278,000,933	619,340,740
1926.....	364,624,851	324,752,032	689,376,883
1927.....	367,385,646	325,790,513	693,176,159
1928.....	370,420,310	320,465,998	690,886,308
1929.....	466,795,331	394,730,344	861,525,675

I have figures indicating that in 1928 the naval expenditures exceeded \$344,000,000. In 1930 my information is that they amounted to more than \$382,000,000, and for the fiscal year 1931 my information is that they will exceed that amount.

It will be observed from the foregoing figures that in 1929 the United States expended more for the War and Navy Departments than any other country in the world. It seems incredible that this Nation, menaced by none, powerful and unafraid, should expend more for military purposes than any other Nation.

Mr. President, I call attention to a statement by the Secretary of the Treasury in 1927, and it could be repeated with emphasis for each succeeding year:

The Federal tax burden of one generation is largely determined by the military activities of the preceding one.

The report referred to presents a graph entitled, "How Your Tax Dollar Goes." It shows that 82 per cent are expended for wars, past and future. For the year 1917 the report shows the fiscal distribution of Federal expenditures to be as follows:

	Per cent
For military functions.....	31.8
Interest on public debt.....	21.1
Statutory retirements.....	13.8
Other retirements.....	16.2

For all of the ordinary civilian functions of the Government 17.1 per cent were required. Among the ordinary civilian functions were public-domain works and industrial development and regulation, internal security, and so forth.

It is contended by many that the interest and retirement of the public debt should not be included among war expenditures. However, substantially all of the public debt was incurred for past wars and for military operations, and accordingly the Treasury Department has consistently so classified it.

Secretary Mellon in his report for 1925 stated that 82 per cent of the Federal expenditures resulted from war and that—

This will be the inevitable situation as long as war is the method of settling international disputes.

Mr. Mellon further states:

When the average citizen grumbles over the size of his income-tax payment he often visualizes his hard-earned money being spent by the Government to compile reports on business or agricultural conditions, or to erect public buildings, send diplomats abroad, carry on scientific investigations, or make and enforce laws. As a matter of fact, a small part of the taxpayer's dollar goes into work of this sort, only about one-sixth being used for all the multitudinous types of ordinary civil functions added together. One-half of each tax dollar is used for the service of the public debt. * * * The remaining one-third of the taxpayer's dollar is spent on military expenditures for national defense or payments to military veterans.

According to Secretary Mellon, expenditures for interest on the public debt for 1927 exceeded by over \$140,000,000 all of the ordinary civilian expenditures of the Government, and military expenditures were nearly twice the civilian expenditures and exceeded the amounts of all retirements of public debt by approximately \$70,000,000.

According to the figures presented by Congressman FRENCH in January, 1930, the cost of the Navy of the United States for the preceding fiscal years was more than \$374,000,000. The naval expenses of the British Empire were but \$278,000,000. Japan's naval budget was \$131,000,000. The navy of France cost her \$99,000,000, and Germany expended approximately \$63,000,000. It appears, therefore, that the United States is expending upon its Navy more than any other nation in the world. In the same article prepared by Congressman FRENCH, the statement is made that the United States has 93,323 men in its naval service. The British Empire has 89,000 men; Japan, 81,595; France, 60,834; and Italy, 45,397.

Mr. President, our military burdens are entirely too great, and the world is being crushed by the heavy weight of taxation, a very considerable portion of which is expended for the maintenance of armies and navies. We spent between the years 1884 and 1920 more than \$6,000,000,000 for our Navy. The cost of naval vessels is constantly increasing; and if there shall be competitive naval armament it is obvious that heavier burdens will be laid upon the people. Mr. Bywater states that since 1920 the cost of battleships has increased between five and six fold. Submarines which cost £80,000 in 1914 cost £400,000 in 1927.

The United States aircraft carriers *Lexington* and *Saratoga* cost approximately \$50,000,000 each and it is quite likely that the cost of similar vessels would be greater now than at the time of their construction. The battleship *South Carolina*, built in 1910, when completed cost but \$6,000,000, the *Indiana* but three million. Twenty-seven battleships built between 1895 and 1908 cost \$139,000,000; but, as I have indicated, battleships such as we now have in our Navy will cost at least \$50,000,000 each.

Mr. President, war not only destroys human lives but it entails burdens upon nations from which escape is impossible. These burdens are impediments to progress and constitute obstacles to international peace. As illustrating the progressive cost of war, it is said that all the wars of the world, from 1793 to 1860, cost but nine and a quarter billion dollars, but those between 1861 and 1910 cost \$14,000,000,000. The direct financial charges of the World War may not be fully determined, but undoubtedly they exceeded \$200,000,000,000. Our Revolutionary War cost but \$170,000,000. For the Civil War the United States appropriated \$3,478,000,000. How insignificant are these sums measured by the exactions of the World War!

Mr. President, the costs to the United States of the World War, according to the annual report of the Secretary of the Treasury for 1930, were approximately \$38,000,000,000; but in my opinion the direct and indirect appropriations which will be made by our Government occasioned by the World War will greatly exceed this stupendous sum. In my opinion the cost of the World War to the people of the United States will exceed \$100,000,000,000.

The financial burdens of war will condemn nations to a condition of servitude for many years to come. But the financial burdens, heavy though they may be, are unimportant measured by the misery and suffering brought to the world, and the millions of lives lost upon land and sea. With this tragic situation presented, it would seem that rational human beings would devise a feasible plan to prevent a recurrence of these tragedies that like an awful pestilence have decimated the world. If the leaders of public thought and the people would devote but a tithe of the time expended in talking of war, and but a fraction of the enormous sums expended in preparation for war, in spreading the gospel of peace and good will, can any one doubt what the result would be?

During this session of Congress much of our time has been devoted to a discussion of military affairs and to the

preparation of measures calling for appropriations approximating \$800,000,000 for our Army and Navy and for the building of war vessels and the manufacture of munitions of war. We have said but little about world peace and have done but little toward promoting world concord. We are now asked to vote \$30,000,000 for the modernization of three battleships. Three battleships upon which we have recently expended \$11,000,000 for major alterations have been or soon will be scrapped, and it is obvious that the three battleships which it is desired to "modernize" and for which the \$30,000,000 are demanded will soon be obsolescent and ready for the scrap heap.

It would seem that the administration which is demanding these enormous military appropriations for the next fiscal year is discrediting in advance the disarmament conference which is to be held in 1935.

There are those who perhaps are cynically inclined who assert that we have no confidence in the Kellogg-Briand pact, and therefore having solemnly renounced war we proceed to expend hundreds of millions in preparation for war. Certainly we anticipate no conflict with nations upon the Western Hemisphere. Aside from Great Britain, European nations possess no naval strength comparable to that possessed by the United States. Even the most chauvinistic American concedes no possible conflict with France or Italy. The navies of those countries are small, measured by that of the United States. Neither France nor Italy has availed itself of the treaty right to build additional battleships to attain the ratio provided in the Washington conference treaty.

Russia has no navy. Germany is disarmed and possesses no naval strength. Japan seeks peace. She has no ambitions hostile to the United States or policies antagonistic to those of this Republic. Her naval policy is directed toward the defense of the Japanese islands and the protection of Japanese communications with Korea and Manchuria. She derives much of her food and raw materials from the mainland of Asia, and if the control of the China Sea should pass to another power it would be as serious menace to Japan as would be the control of the English Channel and the North Sea by a powerful foe to Great Britain. Great Britain's problem is largely the protection of trade routes and communications. Her insular position and her dependence upon the products of other lands for food and raw materials prompt the adoption of a naval policy which gives her control of the North Sea and the English Channel. The British have little or no apprehension of naval encounters in the broad Atlantic; and, if I understand the naval policy of Great Britain, it is not based upon an anticipated conflict with the United States.

Our naval problem is coast defense and, of course, the protection of the Panama Canal, Porto Rico, Hawaii, and the Philippine Archipelago. Under the terms of the Washington treaty we are prevented from further fortifying the Philippines; and it is certain that within a very few years the Filipinos will establish a republic.

This Republic is impregnable against assaults from any source. Neither by land or sea is it vulnerable. It is in a position, therefore, to point the way to international disarmament.

I concede that there is still a struggle between the security view and the disarmament view, but the important task is to reconcile those nations which desire security to a policy of disarmament. The security commission appointed by the League of Nations in 1927 is seeking to formulate a plan which will afford suitable guaranties of security to all States and pave the way for the reduction of armaments to the lowest possible level and within a limited period bring about world disarmament. To the accomplishment of this end this Nation should make important contributions. The 4-power treaty to which the United States, Japan, and Great Britain are parties provides ample assurance for peace in the Pacific and gives assurance of continued amicable relations between the United States and Japan. It provides for consultation between the signatories to the treaty and contains effective provisions for the peaceful settlement of con-

troveries arising in the Pacific. Both the United States and Japan desire a continuation of the cordial relations now existing between them. There is nothing to justify any fear of war between this Republic and Japan.

Mr. ODDIE. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Nevada?

Mr. KING. I have only a few moments remaining and desire to yield the floor as soon as possible.

The PRESIDENT pro tempore. The Senator from Utah declines to yield.

Mr. ODDIE. I merely want to ask the Senator a brief question.

Mr. KING. Very well, I yield.

Mr. ODDIE. I ask the Senator, why it is, then, that Japan is building naval vessels so much more rapidly than we are building them, and is now building so many more than we are building, and has been doing so for a number of years past? I deprecate war as much as the Senator from Utah, but I should like to know the reason for that activity.

Mr. KING. I do not concede the premises stated by the Senator. We are expending far more for military and naval purposes than is Japan. It is true she is constructing a number of naval vessels, but her expenditures for naval purposes are very much less than those of the United States. I am inclined to think, however, that Japan is not entirely free from apprehension by reason of the rather belligerent attitude of the Bolshevik Government. The attitude of the soviet régime toward Manchuria and China, with Japan in the offing, may occasion, in fact I think it does, some misgivings upon the part of Japan. There are some evidences that the Bolshevik régime seeks to annex Mongolia and Manchuria, and it can not be denied that Moscow has sought and still seeks the overthrow of any Chinese government that is not under the control of Russia. But conceding that Japan is building naval craft, I think it can be said that our naval budget is not encouraging Japan or other nations to seek speedy disarmament. As I have stated, our appropriations for military purposes for the next fiscal year will exceed \$800,000,000. Japan's military budget is less than one-half of that stupendous sum. It must be remembered that Japan's situation is vastly different from that of the United States. As I have heretofore stated, she depends upon the mainland for food and for raw materials; indeed, her existence is involved in the maintenance of the open sea and access to the Asiatic mainland. With an unfriendly soviet power and 400,000,000 Chinese at her door, she occupies a position that justifies a prudent course calculated to insure protection.

Mr. President, Italy and France will adjust their naval controversy, and will join with the United States, Great Britain, and Japan in preparing for the 1935 conference. Between now and the meeting of that conference the United States should take the lead in preparing, not only naval powers, but the people of the world, to make effective the Kellogg-Briand pact, and to convince the world that its renunciation of war as a national policy and its pledge to settle all international disputes by pacific means, is sincere and will be respected. That conference will be a momentous event. It is to be hoped it will result in the adoption of measures that will reassure nations and provide effective measures for world disarmament. The United States more than any nation will determine the result of the conference referred to. It can give evidence between now and then of its confidence in the result of that important gathering. If the present bill shall be defeated it is certain it will result in favorable reactions for peace and limitation of armament throughout the entire world.

Mr. HALE. Mr. President, the Senator from Virginia [Mr. SWANSON], has already explained the purpose of the bill. I desire to add simply a word to what he has said.

At the time of the Washington conference we had under construction a large number of battleships and battle cruisers. That conference was held to see what could be done about cutting down the naval armaments of the principal countries of the world possessing navies. An agreement was finally reached whereby, in 1942, we should have exact par-

ity in tonnage and number of ships with Great Britain, and should be on a ratio of 5 to 3 with Japan.

Pending that time, a certain number of our capital ships were allotted to us, and a certain number of the British ships to them, and a certain number of the Japanese ships to that nation, with the general understanding that these allotments should represent parity as nearly as it could be gotten between ourselves and Great Britain, and a ratio of 5 to 3 with Japan.

In the Washington treaty it was provided that Great Britain should be allowed to lay down two new ships which were not then in process of construction, and when these should come into commission she was to scrap four of the ships allowed her under the treaty. The treaty allowed us 18 battleships, allowed Great Britain 18 battleships and 4 battle cruisers, with a considerably larger tonnage than ours, and allowed Japan 6 battleships and 4 battle cruisers. As I have said, the intention was to give us a force that would be equal to that of Great Britain and would be on the basis of 5 to 3 with Japan. We were familiar with their ships and they were familiar with ours, and the ships that were finally determined on represented what our delegates and our naval authorities considered parity with Great Britain.

After the *Rodney* and the *Nelson* came into commission, it became evident that we had not prospered under the treaty, that the British had a capital-ship force which was to a considerable extent more powerful than ours. In the terms of the treaty there was a provision that to take care of aircraft and underseas protection, each of the countries taking part in the treaty might add 3,000 tons to the tonnage of any battleship or battle cruiser that was in its complement.

Under this provision in the Washington treaty we started to modernize our battleships. We modernized the oldest six first. The modernization included putting blisters on the sides of the ships which would make the ships more buoyant and thereby take care of the 3,000 tons or whatever part of it was to be added to the tonnage of the ship. These blisters in themselves provided compartments which protected the ship against attack from submarines. They provided a buoyancy which would enable the ship to carry additional deck armor for protection against the air, and these matters were taken care of in the modernization of the first six battleships. We did not, however, elevate the guns of these first ships. We provided for deck protection and blisters and certain fire-control changes, but, as I say, did not elevate the guns.

Then, when it came to the *Oklahoma* and the *Nevada*, we provided for the elevation of the guns, in addition to what we had done on the older ships, and made further fire-control improvements.

When the *Pennsylvania* and the *Arizona* came along, we added still further improvements. We were getting larger ships each time to fix over, and the expenses of making the alterations grew as we went along. The first ships cost about \$3,100,000 apiece to modernize, the second ships about \$6,800,000 apiece, and the third lot—the *Pennsylvania* and the *Arizona*—about \$7,400,000 apiece.

There is nothing new about this proposition to modernize ships. We have already modernized 10, and what we are doing with these ships is exactly in line with what we have been doing since the Washington treaty, and what we would do now if we did not have the London treaty. It is necessary, if we are going to bring these ships up so that they can take care of themselves in combat, that these improvements be placed upon the ships.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Tennessee?

Mr. HALE. I do.

Mr. McKELLAR. When we expend this \$30,000,000, and when these ships are modernized, will they be able to shoot as far as the British ships?

Mr. HALE. Oh, yes, Mr. President. These ships, when modernized, will have an elevation of the guns which will

give them practically the extreme range of the British ships. There is no trouble in that respect.

Mr. McKELLAR. But until they are modernized they will fall far short of shooting as far as the British ships?

Mr. HALE. Until they are modernized they will have a range of about 5 miles less than the highest range of the British ships. As I have said before, the improvements on these ships will cost more than those on the *Pennsylvania* and the *Arizona* and the *Oklahoma* and the *Nevada*, and in each case we are bringing them into a little better condition than the ships which were earlier modernized.

Mr. McKELLAR. Mr. President, will the Senator suffer another interruption?

The PRESIDING OFFICER. Does the Senator from Maine further yield to the Senator from Tennessee?

Mr. HALE. Yes.

Mr. McKELLAR. How old are these three ships, and how long will they last after they are modernized? Will they be obsolete?

Mr. HALE. The life of a battleship is considered to be about 20 years. Of course the hull will last for 30 or 40 years. The engines of a ship will last about 15 years. These ships are now about 13, 12, and 11 years old, respectively.

Mr. McKELLAR. How long will it take to modernize them?

Mr. HALE. Their engines have not yet entirely worn out, but they will wear out within two or three years; and it is thought, when the ships are being modernized at the present time, that new engines should be put in, so that within a year or two they will not have to be brought back and stripped and reengined. That is a measure of economy.

Mr. McKELLAR. How long will they last after they are modernized?

Mr. HALE. I should think the ships probably would last another 15 years after they are modernized.

Mr. McKELLAR. And how long will it take to modernize them?

Mr. HALE. It will take about 21 months to modernize these ships.

Mr. McKELLAR. About 21 months?

Mr. HALE. Yes.

Mr. McKELLAR. And then does the Senator think they will last about 15 years after that time, before they become obsolete?

Mr. HALE. They will last at least 15 years after that time.

Mr. McKELLAR. While I am on my feet, I should like to ask the Senator another question. Have we dismantled or sunk the surplus ships that we agreed to dismantle or sink under the terms of the London treaty?

Mr. HALE. No. Under the terms of the London treaty we have a considerable time in which to do it.

Mr. McKELLAR. It has not been done yet?

Mr. HALE. I do not think they have actually been dismantled, but they have been brought in to be dismantled.

Mr. McKELLAR. I saw a statement in the paper that they had been dismantled.

Mr. HALE. I may be mistaken about that; but my impression is that the work has not been done yet.

Mr. McKELLAR. Is the Senator informed as to whether Great Britain or Japan have dismantled any of the ships that they agreed to dismantle under the terms of the London treaty?

Mr. HALE. The Senator can be sure that any country that has signed the treaty will comply with the terms of the treaty and will surely do it within the time provided by the terms of the treaty.

Mr. McKELLAR. I was just wondering whether it had been done or not.

Mr. HALE. I can not give the Senator that information.

Mr. McKELLAR. I saw by the paper that the United States had done it, but there was no statement that the other nations had done it.

Mr. HALE. I think there is no question, so far as national honor is concerned, of all nations living up to the terms of the treaty.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Utah?

Mr. HALE. I do.

Mr. KING. One of the ships that was to be dismantled was the ship *Utah*, and I know that ship has not been dismantled yet. It was one of the last to be dismantled.

Mr. HALE. No; I do not think the work has been done as yet, but it will be done.

Mr. KING. I have been trying to secure the silver service of that ship in order to restore it to the State.

Mr. HALE. Despite the efforts of the opponents of the battleship to decry the usefulness of this type of vessel, the battleship is still the backbone of the United States Navy, and it is the backbone of the British Navy and the backbone of the Japanese Navy. As the Senator from Pennsylvania has well said, countries that have no battleships are anxious to give up their use, but countries that have battleships have no such feeling.

The statement has been made that now that aviation has developed, the battleship becomes obsolete. On the contrary, Mr. President, aviation has nearly doubled the shooting range, the firing range, of the battleship, and has made it an infinitely more valuable ship on that account. Whatever may be said about the power of airplanes through their bombs sinking battleships, this can not be done when the battleship has proper aircraft protection.

Airplane protection is the best protection that can be had against other planes; and, in addition to this airplane protection, antiaircraft guns have been very greatly developed in the Navy. It is the plan, whenever we send battleships out, without any question, to have them accompanied by carriers, so that there will be plenty of planes on hand to work with them; and, as I have said before, with the aid that they get in airplane spotting their gunnery is doubled in value.

Mr. McKELLAR. Mr. President, will the Senator yield again?

Mr. HALE. I will ask the Senator to wait one second. We are greatly hampered as a country because we have practically no outlying naval bases. Battleships are absolutely necessary when we send out any expeditionary force in time of war. We must provide our own bases, and those bases must be protected by the powerful guns of the battleships. The battleship is absolutely necessary for that purpose. We, more than any other country, need battleships.

Mr. McKELLAR and Mr. BROOKHART addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Maine yield; and if so, to whom?

Mr. HALE. I yield first to the Senator from Tennessee.

Mr. McKELLAR. I know the Senator from Maine is very expert in all these matters—

Mr. HALE. That I do not claim.

Mr. McKELLAR. The junior Senator from Utah raised a very interesting question a few moments ago. We know that the battleship *Utah* is one of those to be destroyed, or dismantled, or sunk. It seems that ship has a silver service given by the State of Utah, and part of the equipment of the ship. When it comes to sinking the *Utah* will the silver service have to be sunk also? Can the Senator state as to that?

Mr. HALE. I can assure the Senator that it will not.

Mr. McKELLAR. I am glad to know we are to save the silver service of the battleship *Utah*.

Mr. BROOKHART. Mr. President, will the Senator from Maine yield?

Mr. HALE. I yield.

Mr. BROOKHART. If we got into a war, where would we send the battleships?

Mr. HALE. I will say now that I would not send them up any river, as was suggested by the Senator.

Mr. BROOKHART. That would be the only safe place for them.

Mr. HALE. That may be the opinion of the Senator. It is not the opinion of the naval experts of the world.

Mr. BROOKHART. Could they be used in such a war?

Mr. HALE. Of course they could.

Mr. BROOKHART. Where would we dare send them?

Mr. HALE. We would send them out wherever the fleet went.

Mr. BROOKHART. Where would that be?

Mr. HALE. Mr. President, I am not drawing the plans for a war.

Mr. BROOKHART. Nobody else will ever draw a plan under which we would send a fleet out, either.

Mr. HALE. Mr. President, the Senator from Pennsylvania wants to say a few words on the question, and therefore I am glad to yield the floor.

Mr. ODDIE. Mr. President, I would like to have printed in the RECORD a very interesting article by Commander Holloway H. Frost, of the United States Navy.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

BATTLESHIPS AND UNEMPLOYMENT

By Commander Holloway H. Frost, U. S. Navy

[This is the last of a series of four articles]

The Battle of Jutland taught many lessons in ship design. The British hastened to increase the defensive strength of their battle cruisers against long-range shell fire by the thickening of their horizontal armor. The narrow escape of the *Marlborough*, which was hit by a single torpedo, confirmed the underwater weaknesses of the British battleships—already indicated by the sinking of the *Audacious* by a mine. To the ships already built they attached what was virtually another underwater hull—called bulges or blisters. In vessels built after Jutland increased emphasis was given to both armor and underwater protection. They considered this new construction so greatly improved that there was a disposition for a time to consider it in an entirely distinct category—post-Jutland ships.

After Jutland a new menace to the capital ship made its appearance, the airplane with its bombs. These bombs might either penetrate the decks and horizontal armor and explode in the ship's vitals or it might detonate in the water close to the hull, thus causing leaks and possibly throwing out of line the propeller shafts and rudder. These threats made necessary a further thickening of the horizontal armor, an additional strengthening of the underwater hull and the installation of a battery of anti-aircraft guns. The use of airplanes for observing naval gunfire increased greatly the distance at which it could be made effective. This caused a desire to elevate the turret guns to a greater angle so that they could fire at increased ranges.

To allow for these necessary modifications in capital ships the Washington treaty permitted the addition of 3,000 tons to each ship. The British have modernized all the 15 ships allowed by the London treaty except the *Barham*. Of our 15 battleships 7 have been modernized. The Navy Department has announced its desire to modernize the next three—*Mississippi*, *New Mexico*, and *Idaho*. These vessels were laid down in 1915. Thus they are pre-Jutland ships. Their modernization will bring us close to parity with the British in capital ships. It is essential that it be commenced at an early date.

Our remaining battleships—five in number—were laid down between 1916 and 1919. While these vessels have considerably more defensive strength than their predecessors, the modernization of two, and probably five, will ultimately prove necessary. This will permit us to equalize the advantage which the *Rodney* and *Nelson* now give the British. It will also further an agreement increasing the life of battleships to 25 or even 30 years with resultant great economy.

The building of naval vessels is an important remedy for the unemployment situation. Into naval construction go every kind of material and workmanship. It involves every industry and every section of the country. For example, take the new 10,000-ton cruisers, Nos. 32, 34, and 36. These ships are being built in the Government navy yards at New York, Philadelphia, and Puget Sound. The construction of these vessels gives steady employment to a large number of workmen over a period of three or four years. In addition to the men employed on the ships themselves in the above three navy yards, much of the equipment with which they are supplied and the material from which they are fabricated provide employment for workmen in other sections of the country.

Much of the equipment comes from other navy yards. For instance:

Guns: Navy yard, Washington, D. C.

Torpedoes: Torpedo station, Newport, R. I.

Anchor chains and cordage: Navy yard, Boston, Mass.

Boats and metal furniture: Navy yard, Norfolk, Va.

The rest of the equipment and all of the material used in the fabrication of the ships is obtained from private contractors. I have before me a list showing the more important contracts. It is far too long to include here, but it may be of interest to list the States from which the more important items are furnished. Here are a few:

Steel: Pennsylvania, Maryland, Delaware, New York, West Virginia.

Rivets: Ohio, Illinois, Pennsylvania.

Wood: Massachusetts, Oregon.

Main engines: Pennsylvania.

Boilers: Ohio, New Jersey.

Motors: New Jersey.

Optical equipment: New York, New Jersey.

Compasses: New York, Massachusetts.

Powder tanks: New Jersey, Pennsylvania.

Wire: New Jersey, New York, Illinois.

Searchlights: New York.

Electrical equipment for fire control: New York.

Telephones: Illinois.

This list includes only the main factory of each contractor. In some cases they have factories in 12 States, and may have distributed their work among all of them. In addition to the States already listed, the following may therefore be added as probable beneficiaries of the shipbuilding program: Tennessee, Michigan, Connecticut, Kentucky, Indiana, Alabama, California, and Missouri.

If we carry this study a step farther we will see that the raw material for the various manufactured articles provided by the contractors come from still other States. And to bring the raw material to the contractors the railroads and shipping of even other States are required. To mention only one example, iron ore must be mined in Minnesota or Wisconsin and carried by Great Lakes steamers to the Eastern States to be made into steel. Thus, directly or indirectly, the construction of naval vessels provides employment for workmen of every trade and every section of the country.

Mr. REED. Mr. President, we have something less than 15 minutes before the vote is to be taken, and I want to say a few words about the necessity for passing the pending bill. I can not resist the temptation, however, of replying to some of the things which have been said by our friends on this side and on the other side of the aisle about battleships being antiquated.

Ever since wars began men have learned something from the developments of each war, and every war is followed by the declaration of a group of more or less uninformed prophets that the last war has changed everything. But two principles stand out, and they have stood out from the days of Julius Caesar down to the days of John J. Pershing; that is, that on land the infantryman is the all-important element and that every other arm of the service is there to help him, and that on the sea it is the trireme or its successor, the battleship, which in the last analysis represents the greatest striking power and the greatest power to take punishment, and is therefore the backbone of the Navy.

We have heard a lot of talk, some of it very sensational, by modernists, who say that aviation has made the battleship obsolete, and it has been told us about how a battleship can be sunk by an airplane and its bombs. The only proof offered us in support of that statement is the experience we had seven or eight years ago in attacking some of the surrendered German fleet by squadrons of bombing planes. Those planes flew at an altitude of about 3,000 feet. If there had been any kind of anti-aircraft work on the ships being attacked, not one of those planes would have come near its target. At that altitude they would certainly have been destroyed. If there had been any combat aviation basing on the attacked fleet and protecting the attacked fleet, those bombing planes never would have lived to get through.

I was told yesterday of a naval officer who was asked the old question, whether battleships could survive when attacked by airplanes, and he replied, "It is just like my ability to sink a battleship. I can sink a battle with a hammer if you will let me alone long enough." So it is with airplanes. Of course, they can sink battleships if they are let alone long enough, and one infantryman can destroy an army if he is let alone long enough; but in war he is not going to be let alone.

As I said before, the ability of the battleship to repel all such attacks by airplanes, first, with its anti-aircraft fire, and next with its own planes, which it carries, is going to protect the battleships for many a long year in the future, as well as the carriers which take planes with the fleet, and which are quite well able to fight off most attacking squadrons of planes.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. REED. I yield for a question. I have not very long.

Mr. BROOKHART. I agree with the Senator's statement about the infantry; but was not the experience of the last

war an argument against the battleship? Did not the battleships go hide and stay hidden nearly all the time?

Mr. REED. They most emphatically did not, and I will say to the Senator that if it had not been for the British Battle Fleet, reinforced as it was later by the American Battle Fleet, we would be paying tribute to Germany to-day instead of to the farmers of Iowa.

Mr. BROOKHART. You are not paying much to the farmers of Iowa.

Mr. REED. It was those battleships which stood sentry there at Scapa Flow, which prevented Germany from getting the supplies and maintaining the commerce which might have enabled her to win the war. It was primarily the British Battle Fleet, which stood there for three years, silently, doing sentry duty, at Scapa Flow, that cooped Germany up and ultimately cost her the war.

The battleships won the last war. Talk about the Battle of Jutland. The moment the British Battle Fleet, the Grand Fleet, came on the scene, the German fleet turned tail and ran for home just as hard as they could run. Germany scored her successes off the British battle cruisers, which were too recklessly thrown into the action at the beginning; but when the Grand Fleet came the battle was over.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. REED. I do not yield for a moment. I have too little time. I have sat and listened for four or five hours to the other side of this question, and I want to express a few sentiments which are bubbling up too strongly to be held in.

It was the battleships which won the Battle of Jutland. It was the battleships which kept Germany cooped up for all those long years of the war. Without the battleships the Battle of Jutland would not have been won by the British and Germany would not have been cooped up.

The Senator asked where we are going to fight with our battleships in another war. There never has been a time in my life when our relations with Great Britain and with Japan were as good as they are at this minute, and I think it is highly unlikely that we are going to see in our lifetime any war against either of those nations. The amicable intentions of all three of us were evidenced beyond a shadow of a doubt by the concessions all of us made at the London conference. But the rest of the world is not as amicable. We have heard too much sword rattling from other countries to believe that we can depend upon their amicable intentions toward us if we are disarmed and ineffective in war.

One has only to go to the Continent of Europe to discover how intense is the envy and the spite against the United States. I should be sorry to see the time come when, in reliance on the Kellogg treaty, or the League of Nations, or the golden rule, or anything else, the United States would become impotent to defend her own rights on the sea and on the land.

In the London conference all nations joined to reduce the number of their battleships. Great Britain destroys five of hers, Japan destroys a very fine battle cruiser, and we agree to reduce our fleet by three. Great Britain has remaining 15 battleships. Every one of them was either modern in construction at the time of the conference, like the *Rodney* and the *Nelson*, or has been modernized in the way we are seeking to modernize the three ships of our fleet under consideration.

The only exception, when we met last year in London, were the *Valiant*, which was then being modernized, and the *Barham*, Great Britain's last battleship, which was slated to be modernized as soon as the modernizing of the *Valiant* was completed.

What we propose to do under this bill with our fleet is only what Great Britain has been doing with her fleet, bringing it up to the highest state of efficiency with the reduced number of units the treaty permits.

Japan has done the same thing. The details of her modernization program have not been given to me as has been done in the case of Great Britain. I know that some of her ships have been modernized and that some of them

were modern in construction at the time of the conference. They were post-Jutland ships, built with blisters and with sufficient thickness of deck armor and with sufficient elevation of guns. They do not need any modernization now.

What we are seeking to do is what both Great Britain and Japan are doing with the few units of the battleship fleet the treaty allows to remain to them. It is the intelligent thing to do. It will give us three modern ships at a cost of \$30,000,000 instead of having to build three brand new ones at a cost of \$40,000,000 apiece. We will get our money's worth.

Mr. President, we hear talk about food relief and unemployment. Think how much better it is to be giving \$30,000,000 worth of employment to American workmen in all the multitude of industries which contribute to the work on these battleships, as well as in the navy yards themselves, than to be handing out doles to people and not giving them anything to work at. In this way the relief we give is given to self-respecting men, who work for what they get. Under the other plan it is a mere hand-out, and as between the two, the average American I know would rather get his \$5 a day working for it, and giving \$5 worth of consideration for it, than to get it without doing anything except whine for the relief.

Mr. President, this is not a militaristic step we are taking. It is no more militaristic than keeping our rifles oiled and clean. The argument against it could just about as well be made in favor of allowing our ordnance, our field guns, and our rifles to become rusty and out of date. This is just the ordinary upkeep which intelligently we should bring about in order to keep our Navy at its maximum efficiency. It is not an expansion; it is not the addition of any new ships; it is merely having the 15 battleships which the London treaty allows us, and having them with a maximum striking power. The keeping of the American Navy in that condition of preparedness, it seems to me, in the present state of affairs in this tumultuous world, is one of the best contributions we can make for the preservation of civilization on this globe.

Mr. FESS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. FESS. Is the vote on reconsideration?

The VICE PRESIDENT. The request for reconsideration was agreed to by unanimous consent. The vote will be upon the passage of the bill.

Mr. REED. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. McKELLAR (when his name was called). On this vote I have a pair with the senior Senator from Wisconsin [Mr. LA FOLLETTE], who is necessarily absent. I transfer that pair to the senior Senator from Louisiana [Mr. RANSDELL] and vote "yea." If the senior Senator from Wisconsin [Mr. LA FOLLETTE] were present, he would vote "nay."

The roll call was concluded.

Mr. BARKLEY. On this vote I have a pair with the Senator from South Dakota [Mr. NORBECK]. Not knowing how he would vote, I withhold my vote.

Mr. PHIPPS. My colleague the junior Senator from Colorado [Mr. WATERMAN] is necessarily absent. He is paired with the Senator from Georgia [Mr. GEORGE]. If my colleague were present, he would vote "yea."

Mr. SHEPPARD. I desire to announce that the junior Senator from Arkansas [Mr. CARAWAY] is detained on official business. He has a general pair with the Senator from Oklahoma [Mr. PINE].

The result was announced—yeas 72, nays 13, as follows:

YEAS—72

Ashurst	Deneen	Hastings	McNary
Bingham	Dill	Hatfield	Metcalf
Bratton	Fess	Hawes	Morrison
Brock	Fletcher	Hayden	Morrow
Bulkley	Gillett	Hebert	Moses
Capper	Glass	Howell	Oddie
Carey	Glenn	Johnson	Partridge
Connally	Goff	Jones	Patterson
Copeland	Goldsborough	Kean	Phipps
Couzens	Gould	Kendrick	Pittman
Cutting	Hale	Keyes	Reed
Dale	Harris	McGill	Robinson, Ark.
Davis	Harrison	McKellar	Robinson, Ind.

Schall	Smith	Townsend	Walcott
Sheppard	Smoot	Trammell	Walsh, Mass.
Shipstead	Steck	Tydings	Walsh, Mont.
Shortridge	Steinwer	Vandenberg	Watson
Simmons	Swanson	Wagner	Williamson

NAYS—13

Black	Frazier	Norris	Thomas, Okla.
Blaine	Heflin	Nye	
Borah	King	Stephens	
Brookhart	McMaster	Thomas, Idaho	

NOT VOTING—11

Barkley	Caraway	Norbeck	Waterman
Blease	George	Pine	Wheeler
Broussard	La Follette	Ransdell	

So the bill was passed.

INTERIOR DEPARTMENT APPROPRIATIONS

Mr. SMOOT. Mr. President, I know of no other amendment to be offered to the Interior Department appropriation bill.

The VICE PRESIDENT. The Chair feels that he should call the attention of Senators to the unanimous-consent agreement in reference to the consideration of the nomination of Eugene Meyer to be a member of the Federal Reserve Board.

Mr. SMOOT. Mr. President, I ask unanimous consent that the unanimous-consent agreement to take up the nomination of Mr. Meyer be postponed until after the final vote on the Interior Department appropriation bill, and I ask that the Interior Department appropriation bill be now laid before the Senate.

The VICE PRESIDENT. Is there objection?

Mr. BRATTON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BRATTON. If that request is granted, will the matter of the Meyer nomination come before the Senate immediately after the final vote on the Interior Department appropriation bill?

The VICE PRESIDENT. That is the opinion of the Chair.

Mr. KING. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KING. There is a motion pending to reconsider the so-called deportation bill. That motion was filed some time ago. I had given notice that it would be called up on the conclusion of the consideration of the maternity bill, but the Interior Department appropriation bill intruded itself and I was unable to have the matter taken up. I want to give notice now that as soon as the appropriation bill is out of the way I desire to bring that matter to the attention of the Senate.

The VICE PRESIDENT. There is a unanimous-consent agreement in reference to the Meyer nomination, which, in the opinion of the Chair, would take precedence except by unanimous consent.

Mr. KING. We might take up now the motion to reconsider the deportation bill. However, I shall not ask to displace the Interior Department appropriation bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah?

Mr. BROOKHART. Mr. President, may the request be stated? It was impossible to hear it, as stated by the Senator from Utah.

The VICE PRESIDENT. Will the Senator from Utah restate his request?

Mr. SMOOT. I ask unanimous consent that the unanimous-consent agreement entered into with reference to consideration of the nomination of Eugene Meyer to be a member of the Federal Reserve Board be postponed and taken up immediately following the passage of the Interior Department appropriation bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The Senate resumed consideration of the bill (H. R. 14675) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1932, and for other purposes.

Mr. SMOOT. Mr. President, the committee amendments have all been agreed to. I think the Senator from Arkansas [Mr. ROBINSON] has one amendment to offer and then the

Senator from Oklahoma [Mr. THOMAS] has one or two amendments to offer.

Mr. KING. Mr. President, may I say to my colleague that I have a number of amendments to offer.

Mr. ROBINSON of Arkansas. Mr. President, in behalf of the Senator from Alabama [Mr. BLACK] and myself I offer the amendment which I send to the clerk's desk, and ask that it be reported.

The VICE PRESIDENT. The amendment will be reported for the information of the Senate.

The CHIEF CLERK. The Senator from Arkansas, in behalf of himself and the junior Senator from Alabama [Mr. BLACK], offers the following amendment:

Insert at the proper place, which will be on page 122, after line 15, the following:

"There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000,000 (in addition to such sums as may be or may become available through voluntary contributions), to be immediately available and to be expended by the American National Red Cross for the purpose of supplying food to persons otherwise unable to procure the same."

The VICE PRESIDENT. The question is on the amendment of the Senator from Arkansas.

Mr. BARKLEY. Mr. President, does the Senator intend to discuss the amendment?

Mr. ROBINSON of Arkansas. I had intended to do so briefly.

Mr. BARKLEY. Very well.

Mr. ROBINSON of Arkansas. Mr. President, the Congress has been at work for quite one-half the period of the present session. There has been much discussion of so-called relief measures for the drought regions. It has been my conviction, and is still my conviction, that funds for loans to enable farmers to make crops within those regions would be a better system of meeting the conditions there than through mere charity. That conviction has been so often expressed by myself and by others that I shall not give emphasis to it at this time. The Senate twice adopted by unanimous vote provisions of that character.

It will be recalled that the joint resolution of the Senator from Oregon [Mr. McNARY], known as the seed, feed, and fertilizer measure, as it passed the Senate, carried arrangements for loans for the purpose of supplying food to persons within the drought regions and to enable them to produce crops. It will be remembered also that the resolution was modified so as to eliminate loans for food and to restrict the funds authorized to supplies of feed, seed, fertilizer, and such other purposes of crop production as the Secretary of Agriculture may prescribe. After the authorization measure had become a law, the body at the other end of the Capitol passed an appropriation bill carrying \$45,000,000, and the Senate again insisted upon loans for food. An amendment offered by my colleague the junior Senator from Arkansas [Mr. CARAWAY], appropriating \$15,000,000 for loans for food, was added to the appropriation of \$45,000,000 as passed by the House. In the latter body it was objected to, and, in order to secure any relief whatever under the measure, it became necessary for the Senate to recede from that amendment.

In the meantime, from limit to limit of the country, were coming complaints that the assistance being given by the Red Cross was inadequate; that it was not reaching a large number of persons who were deserving of and entitled to relief; and that a most serious and appalling situation was confronting the country. Thereupon, at the instance of a number of Senators on both sides of the Chamber, the Senator from Alabama [Mr. BLACK] and I were prompted to introduce the pending amendment.

I say again that, so far as it relates to the drought region, I should prefer the other method of relief; but it does seem to me amazing that in this great country, where there exist almost unlimited reserves, both private and public, there should continue for any indefinite period a widespread demand for food upon the part of hundreds of thousands, perhaps millions, of American citizens, who through no fault of their own, who in spite of every exertion which they

have been able to make, in spite of their loyalty to our flag and the institutions of our country, have been brought to a condition of danger and despair; and that while we differ about the method of relief and about the agencies that should be employed men, women, and little children are being deprived of that which no Senator in speech denies them the right to have.

Already the Red Cross has on its rolls something like half a million persons. The number is daily increasing. In the large cities of the country, many of them far removed from the drought regions, there have been lengthening bread lines, which cause those who possess feelings of sympathy to experience sensations of great regret and anxiety.

Is it possible that we shall commit ourselves to a half-hearted policy under the conditions which we have all come to recognize? There is no longer any contention about communistic agitation; there is no longer insistence upon the part of anyone that a widespread, far-reaching calamity is not upon the country; but with, I might say, stupidity we debate and differ about the system and method of relief, and all the while suffering continues. In recognition of this fact, and in the belief that more than anything else prompt and decisive action upon the part of the Congress of the United States looking toward recognition of the conditions which all have come to understand will be helpful and advantageous, this amendment is presented.

In an effort to embarrass its adoption, the statement is sent forth that it will hamper the Red Cross in the campaign that is being carried on to collect by volunteer subscriptions \$10,000,000 from the people of the country for the purposes for which the amendment is proposed. Just a few days ago the head of the Red Cross appeared before the Appropriations Committee of the Senate and said:

There is no need for additional contributions; there is no need for appropriations; we have adequate funds to carry our operations on throughout the winter, and if we should ask for additional contributions the public would laugh at us, and mock us, because there is no necessity for them.

Notwithstanding that statement, which has already been placed in the RECORD a number of times, an appeal has been made to the generosity of our citizens for a contribution of \$10,000,000, and it is to be hoped that appeal will be responded to promptly and with liberality. It is a poor compliment to the generosity of an American citizen to say that if the Government of the United States does anything toward relieving nation-wide distress those who possess sufficient wealth to make contributions will refuse to do anything. It is a poor compliment to the Red Cross to say that it can not take public funds and add them to the contributed funds and expend them for the lofty and necessary purposes which are in mind.

The statement has even been made that for the Government to do anything in this crisis means the destruction of the Red Cross. That statement is not worthy of consideration by serious-minded persons. I recall that just following the World War an appeal was made to the Congress of the United States to appropriate a large sum to be expended by the Red Cross in Russia, a foreign land, for the relief of suffering people there, and that through the action of the Congress \$25,000,000 of the public moneys, moneys of the United States, were made available for that purpose. That incident never embarrassed the Red Cross; it never embarrassed any American citizen; it never hampered or hindered any generous person from contributing to laudable, charitable purposes. It should have encouraged and prompted them to greater liberality.

I remember, too, that an appeal was made to the Congress to appropriate \$100,000,000 to feed hungry and starving peoples in Belgium and other foreign lands; that the banner of the Red Cross was uplifted in sight of the starving citizens of other nations, and the relief work done in Europe never hampered or impaired the activities of the great organization through whose efforts relief was carried on.

I remember, too, that in our own land, in numerous instances, a list of which was placed in the RECORD by the Senator from Tennessee in an address delivered by him a

few days ago, our Government has made appropriations, and in some cases liberal appropriations, for the relief of citizens in distress, to provide them with food, to protect them against danger. Now, the question that is presented to the Senate is whether we shall stop wrangling about methods and means and agencies and do something substantial. The worst thing that can happen in this country is going on now, and that is the impairment of the morale of thousands of faithful, loyal citizens who think they are entitled to some consideration and recognition from their Government.

In ordinary times, under circumstances which have no relation to nation-wide distress, charitable organizations may be relied upon; but, in my judgment, it is fairer and better that the whole public should bear a responsibility and a nation-wide burden of this character than that the generosity of our citizens should be relied upon as an exclusive method of providing relief. In some of the great cities of the country already, for a period extending over several months, demands and requests have been made for contributions. The Senator from Washington [Mr. JONES] placed in the RECORD telegrams to the effect that cities referred to in the telegrams were unable to respond to the call recently made by the Red Cross for \$10,000,000; and there are many other communities that will find it difficult to do so, some of them having already carried on to the extent of their ability.

If it was not a dangerous precedent to feed starving Russians at the public expense of the United States, how can it constitute a dangerous precedent to make a similar provision for our own people? If it was not a dangerous precedent to carry food to starving Belgians, by what mental process does any fair-minded person reach the conclusion that it is an act to be condemned to attempt to commit the public to the responsibility of carrying on this very great task which present conditions impose.

I respect and admire the Red Cross. I must say, in frankness, that I do not feel that that great organization has measured up to the standard of efficiency which might have been hoped for in this emergency. Senators may agree with me that when it was said just a few days ago that ample funds were already provided with which to do the work in sight, and that now a nation-wide appeal is being made for more than twice the fund then in hand; that these circumstances disclose either a lack of comprehension of the conditions or a failure to grasp the measure of relief required.

Mr. BORAH. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Idaho?

Mr. ROBINSON of Arkansas. I yield to the Senator from Idaho.

Mr. BORAH. I desire to ask a question. I take it, from the reading of the amendment, that this amount is to be available to the Red Cross to be used in any part of the country or wherever it thinks it necessary to use it.

Mr. ROBINSON of Arkansas. To be sure.

Mr. SHIPSTEAD. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. ROBINSON of Arkansas. I do.

Mr. SHIPSTEAD. How do we know that it is going to be spent for the people who are suffering now? I understand that the Red Cross has a large fund, but that it has been giving people, say, 1 cent for a meal.

Mr. ROBINSON of Arkansas. Yes, Mr. President; the measure of relief that is being afforded through the Red Cross is manifestly inadequate.

Mr. SHORTRIDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from California?

Mr. ROBINSON of Arkansas. I yield to the Senator from California.

Mr. SHORTRIDGE. I note in the proposed amendment that this fund, if appropriated, is to be expended for supplying food.

Mr. ROBINSON of Arkansas. Yes.

Mr. SHORTRIDGE. I am a little curious as to whether it would not be wise to include, for example, medicines where needed, or medical supplies. I do not wish to do more than throw out that thought to the Senator.

Mr. ROBINSON of Arkansas. Mr. President, the suggestion has been made that it should also embrace clothing. I think it is true beyond doubt, as suggested by the Senator from California, that it ought to include medicines.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. Just one moment.

It may surprise some Senators to know that in a considerable area of the country physicians are, and have been for several months, furnishing medicines at their own expense and rendering their services to patients without compensation or the hope of compensation; and that, of course, has added very substantially to the distress in the regions where it is taking place.

I yield now to the Senator from Minnesota.

Mr. SHIPSTEAD. Mr. President, some days ago the Red Cross were reported to have said that their funds were sufficient, and that they did not need any aid. Has that statement been denied?

Mr. ROBINSON of Arkansas. No. That statement was made by Mr. John Barton Payne before the Committee on Appropriations on the 6th of January; and in the same testimony, when asked by the Senator from New York [Mr. COPELAND] whether he was in doubt as to whether the funds were adequate, or whether he contemplated an appeal for additional funds, Mr. Payne replied: "Why, Senator, if we made an appeal for additional funds you would laugh at us, because there is no necessity for it." Yet, within three days, an announcement was made that an appeal to the country would be made for twice the amount of funds that they then had on hand.

I wish to add, in connection with the thought suggested by the Senator from Minnesota, that I hope the people of the country will find themselves able to subscribe the \$10,000,000 asked for by the Red Cross as voluntary contributions. No person truly generous will refuse to respond to that appeal who is able and has the desire to respond to it; but if it is responded to in full measure, and \$10,000,000 are provided, that sum will still be inadequate; and Congress ought to recognize the fact, and recognize it now. By taking prompt action more will be done to restore and sustain the morale of those in need than by waiting two or three months, when it will have to be done.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON of Arkansas. I yield to the Senator from Nebraska.

Mr. NORRIS. I desire to make a suggestion to the Senator.

This appropriation, when placed in the hands of the Red Cross, will necessarily be used by them for such purposes as the language of the appropriation will permit. If it is amended, as it seems to me it ought to be, to include clothing and medicine, then the money that we appropriate would not be used by the Red Cross for any other purpose. As the amendment is drawn, however, the Senator has in it these words—

in addition to such sums as may be or may become available through voluntary contributions.

It seems to me that it would be unwise for Congress to undertake to direct the Red Cross as to what should be done with contributions that are made in this way.

Mr. ROBINSON of Arkansas. Undoubtedly that is true.

Mr. NORRIS. Since this amendment does appropriate or does specify for what purposes the money we appropriate shall be used, it seems to me it would be wise to strike out of the Senator's amendments the words I have just read.

Mr. ROBINSON of Arkansas. Yes; if there is any doubt in any Senator's mind as to the meaning of the language, I should have no objection to modifying it or striking it out, and I am sure the Senator from Alabama [Mr. BLACK] would not.

Mr. NORRIS. Let me ask again: Does not the Senator think that the amendment as it now stands would be construed as an attempt on the part of Congress to limit the use of funds that had been voluntarily subscribed?

Mr. ROBINSON of Arkansas. There is no intention on the part of the authors of the amendment to do so.

Mr. NORRIS. I do not think there is; but I am afraid the language rather conveys that idea.

Mr. ROBINSON of Arkansas. I do not think it is open to that construction.

Mr. NORRIS. The language is:

There is hereby appropriated, out of any money in the Treasury not otherwise appropriated—

So much money; but in addition to that such other sums as may be subscribed. Would it not follow that they are also appropriated?

Mr. ROBINSON of Arkansas. That is a parenthetical clause, plainly intended, as I see it, to indicate that it is not in lieu of voluntary subscriptions, or not to interfere with them in any way. However, I would wish to see the language modified if there is in the mind of the Senator from Nebraska or any other Senator a question as to its true meaning.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator another question?

The VICE PRESIDENT. Does the Senator from Arkansas further yield to the Senator from Minnesota?

Mr. ROBINSON of Arkansas. Yes; I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. In view of the attitude of the officials of the Red Cross in this emergency up to this time, does the Senator think that they now have such an understanding of the emergency situation that they can properly administer these funds if we give them to them?

Mr. ROBINSON of Arkansas. Mr. President, I think daily the Red Cross is growing more and more familiar with conditions. Daily the Red Cross agents are gathering information; and I think they have been astonished at the necessity for action, far beyond anything that was anticipated just a few days ago. That is the only manner in which I can account for the reversal of the attitude of the head of the Red Cross, who said, as I have already stated a time or two, that he had adequate funds, and who now is asking for \$10,000,000 more.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON of Arkansas. I yield to the Senator from Tennessee.

Mr. McKELLAR. In view of the attitude that the Senator from Minnesota has just suggested, would it not express our view about the matter better to substitute, in line 5, the word "shall" for the preposition "to," so as to read?—

And shall be expended by the American National Red Cross for the purpose of supplying food—

And so forth. I am just wondering whether or not that should be done. Of course they ought not to expend it unless it is necessary to be expended; but, at the same time, this would be merely a permissive provision.

Mr. ROBINSON of Arkansas. It had not occurred to me that it would be practicable to compel them to expend money.

Mr. McKELLAR. Oh, no.

Mr. ROBINSON of Arkansas. My thought is, and I think it is also the thought of the Senator from Alabama, that it is sufficient to provide them with the funds, and state the purposes for which they shall be expended.

Mr. President, for the present I think I have stated all that I desire to say on the amendment.

Mr. BLACK. Mr. President, it is not my purpose to say more than a very few words with reference to this amendment.

Several days ago I announced on the floor of the Senate that after a personal investigation I had found that families with as many as six dependents were limited to \$4 per week in contributions from the Red Cross. On investigation at

the local chapters I was informed that they were limited to \$4 per week—not because the Red Cross thought \$4 per week was adequate but by reason of the fact that the funds were limited.

Several days ago I wrote Judge John Barton Payne, chairman of the Red Cross, a letter, a copy of which I have on my desk, and asked him whether or not if \$10,000,000 should be raised by public subscription, this amount would be such that dependent families of as many as six could have an allowance of more than \$4 per week. In reply to that letter I was informed by Judge Payne that the amount was fixed wholly by the local chapters; and he declined to state whether or not, if \$10,000,000 should be raised by public subscription, families could have more than \$4 where as many as six are dependent.

Mr. President, it seems to me that, perhaps, this is an example which might lead some of us to question whether or not this charitable organization should be closely allied, from time to time, with the dominant administration in American politics. The question in this amendment is simple. The junior Senator from Massachusetts [Mr. WALSH] placed his finger on the exact point several days ago. The question is, Who shall pay the amount which is needed to adequately take care of the suffering and the destitution which we have in the United States to-day? We know that if it is left to local officials, or to local charity, it must be met by an additional tax upon the lands, if it is met by a tax. We know that if it is left to local charity, it will be met in a thoroughly inadequate fashion, too frequently by people who are not at all able to meet the situation.

We know, on the contrary, that if the Federal Government passes an appropriation to be met out of the public taxes the Federal Government has the power to take the money fairly and adequately and proportionately from those who are most able to pay. That is the sole issue which arises in this case. That is the reason why there comes forth from the White House this afternoon, according to information given to me, an objection that this appropriation would prevent the raising of the funds from public contributions.

Why is that contention made? It is because, as has been stated on the floor a number of times in these days of dire distress, those in charge of this Government desire to protect the large taxpayers who are most able to pay for the breakdown which has occurred in the industrial system. The administration is willing, apparently, to go to any possible extreme rather than have the possibility of an increase in the taxes of those who are most able to pay.

Why is it that every obstacle is thrown in the way of a contribution by the Federal Treasury? Is it a new situation? I hold in my hand a report of the evidence taken before the House Committee on Foreign Affairs on the question of contributing money out of the public funds for starving people in Russia. The junior Senator from Texas [Mr. CONNALLY], who sits just behind me, was a member of the House committee at the time. I have before me a report of the testimony of the present President of the United States, who was at that time in charge of seeking to raise the fund for the starving in Russia. I find this statement:

In the Volga Valley, with a population, as Governor Goodrich said, of something like 15,000,000 to 18,000,000 people, there has been on top of this general decadence an extremely acute drought.

This is the testimony of Mr. Hoover.

The problem that we are confronting is not a problem of general relief to Russia, for which there can be some criticism, but is a problem of relief to an area suffering from an acute drought.

We find in this testimony the evidence of Mr. Hoover at that time asking for an appropriation out of the Public Treasury, not to lend money to those who were suffering on account of a drought but to make an absolute contribution out of funds in the Federal Treasury for the benefit of those who were suffering on account of a drought in Russia.

Mr. CARAWAY. Mr. President, that was for Russians; that was not for Americans.

Mr. BLACK. That is correct.

Mr. CARAWAY. That is the only difference.

Mr. BLACK. That is the only difference.

According to the evidence the situation was that these people in Russia were suffering from a drought, that it had been a problem over a large part of Russia, that they were starving, and that their animals were starving.

I might call attention to a letter I received a few days ago, in which this statement was contained:

Cattle already dying of starvation. The work stock will go next, and acute suffering among the people is already with us.

One of the reasons given for taking money out of the Public Treasury to feed the starving Russians was that the animals were already starving.

I will read just a little further from the testimony of Mr. Hoover:

I feel that public charity will do everything that charity can do, but these are times when one can not rightly summon much public charity for use abroad from the American people.

That is the statement of Mr. Hoover. Going further, he said:

Some question has been raised in here and elsewhere as to our own economic situation not warranting our extending relief abroad. I would like to discuss it from two points of view. The first is whether we can afford it. In a general way this country is spending something like \$1,000,000,000 a year on tobacco, cosmetics, ice cream, and other nonessentials of that character.

Such expenditures have not decreased since that day.

It does not look to me a very great strain on the population to take \$20,000,000 for a purpose of this kind. If our own people suffer, we surely possess also the resources to care for them.

We are to-day feeding milk to our hogs; burning corn under our boilers. From an economic point of view, there is no loss to America in exporting those food stuffs for relief purposes. If it is undertaken by the Government it means it is true that we transfer the burden of the loss from the farmers to the taxpayers, but there is now economic loss to us as a Nation, and the farmer also bears part of the burden.

What argument was made then by the present President of the United States tending to leave the impression that a contribution out of the Public Treasury for starving Russians would prevent the people of the United States from contributing to the American Red Cross? What change has come about that made it right back in those days to appropriate money to feed the starving people in Russia, starving on account of a drought but to-day wrong to take money out of the Public Treasury to feed starving Americans, many of whom are starving on account of identically the same cause, namely, a drought? What good reason has been advanced?

The only reason that has been suggested to-day is that it will prevent the contribution being made by the public. All over the United States to-day people in moderate circumstances are strained to the limit. In the city in which I live, Birmingham, Ala., I had opportunity a few weeks ago of going to the Red Cross and to the community-chest headquarters. I found that both of those organizations occupy an entire floor of an office building, which provided space wholly inadequate to enable them to receive the applicants for the relief which they had to award. They had taken over the entire basement of an office building in order to receive the applications of those who are in destitution and in want.

In this city there has been called for the 27th of this month an election to determine whether a million-dollar bond issue will be voted by the people for work on the public parks and on public buildings. During the time I was there the city gave out notice that a few men would be employed. It almost caused a riot on account of the large number of men who came to seek that employment.

All over this country there are similar conditions. Millions need help. They need it now—this moment. The time has come when every man with his eyes open who looks at the situation fairly and impartially knows that the contributions made voluntarily are not meeting the situation adequately and fairly and justly, as American citizens have a right to anticipate it shall be met by their Government.

Has the time come when this country worships so at the shrine of wealth and of money that it hesitates to dig down into the Public Treasury to feed the people who are starving in practically every State of this Union? Shall we continue a method of raising funds simply because we have used it in the past, or shall we adopt the only fair method open to us to-day?

When the tocsin of war was sounded in this country in 1917, did we follow the old system of taking into the Army only those who would volunteer their services? We did not. When the country was threatened with danger we drafted men into the service by the millions.

To-day we are met with the proposition that we must depend, not upon the only fair system which would enable us to raise the money necessary to take care of the suffering and the destitute of this land, but we must bow down before the old fetish, we must adhere to the ancient method of passing the hat.

It is true, of course, that in the old country, England, from which our people came, there were "poor laws." It was against the law for a poor person to go from one section to another. A few weeks ago I was informed by a Red Cross worker that in one city in this country men are being taken in county and city trucks out beyond the county line, left without a cent to buy food, and told they must leave that section of the country.

Mr. CARAWAY. Mr. President, will the Senator yield?

Mr. BLACK. I yield.

Mr. CARAWAY. In one county in my State a crippled man—what we call a tie maker—with a family, had not a bite in the world for himself or his family of children, and a man who had \$2 gave him \$1. When that man got to town and tried to get relief from the Red Cross, after he had made his application and shown his absolute destitution, they discovered that while he had lived in that county his tent was about 30 feet over in another county, and they would not give him a bite, and he had to go 30 miles over to the county seat of another county in order to get a ration of bacon for his family. That is the situation.

Mr. BLACK. That is correct. I might call attention to one instance I mentioned several days ago. I had a letter from a volunteer Red Cross worker. A soldier who had served 10 months in France, and who has two little children, helpless, was found by this volunteer Red Cross worker, his wife in bed, the two little children helpless, no light, no food, no water. The water was cut off, the lights were cut off, the gas was cut off, and that soldier was receiving \$4 a week to support the four members of that family.

Mr. President, we might as well face the situation as it is. The impression has gone out from the administration, which is opposed to taking funds from the Treasury, that the Red Cross is meeting the situation adequately. I deny that the Red Cross is meeting the situation adequately. It can not do so with the funds at its disposal, nor with an additional \$10,000,000. I assert that if any man in the country will go out with his eyes open, and look for himself, he will find home after home with three to six members in the family who are given no more than \$4 per week to buy food and to supply warmth in the houses in which they live.

I make no charge against the Red Cross as an institution. It is a great institution. It deserves the support of the citizenship of the country. It has accomplished much good in the past with its errands of mercy, and I sincerely trust that it may do much good in the future. But, unfortunately, we find it too closely allied with an administration which is fearful of some increase in taxes that might impose a burden upon the heaviest contributors to the campaign fund of the party which is in power.

Unfortunately, we find propaganda going out through the country that the situation is adequately and fairly met. It is not. Not only is it not met in Arkansas but I deny that the situation is met in Alabama. I deny that the situation is met in other States. I deny that any man can go and make search for himself and reach the conclusion that \$10,000,000 will do more than scratch the surface to relieve

the suffering of the hungry, the weak, the destitute, and the unemployed in the land.

Has the time come that we will sit silently by under such conditions? What is the Government doing? Let me answer that. Here is a letter written by the Federal land bank to Alabama men who owe money to that bank. Do we find a recognition of the fact of the depression that exists, the widespread panic abroad in the land? Do we find that there is some message of hope extended to the debtors on their mortgaged farms? Not at all. We find that now, for the first time, according to the Federal land bank administration, at a time when there is the most distress, they are saying, "We have been too lenient in the past and you must pay up now to the last dollar." At the very time when the Government should be showing some mercy to its people, the banks which it financed from the Treasury of the United States are exacting the last pound of flesh just as Shylock did in the days of old. Let me read from this letter from the Federal land bank:

We fully realize the conditions in your section of the State have not been the most favorable, yet in safety to this bank and in fairness to the various associations and borrowers, we have been compelled to adopt this new policy in regard to the payment of these installments when due. We have been unable to grant any extensions whatever on new installments in the State of Alabama and will be forced to adhere to this policy.

And here is the rule which was sent out to all secretary-treasurers in the fifth Federal land bank district:

The Federal land bank has been more than lenient with their borrowers during the past few years with the result that they now face the coming collection period with more delinquent loans than ever before, at this time, in their history.

In view of this condition they have been compelled to adopt a policy that demands immediate payment of all items due on a loan as they mature. We have the necessary means at our disposal to enforce this policy and suitable preparation has been made to take definite action on all loans where the payment of any item due has been neglected or delayed.

This is quoted from a letter addressed to all secretary-treasurers, fifth Federal land bank district, by A. W. English, assistant vice president, the Federal Land Bank of New Orleans.

Mr. SMITH. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from South Carolina?

Mr. BLACK. I yield.

Mr. SMITH. I introduced a bill looking to an appropriation sufficient in the judgment of the officers of the bank to meet those cases where, on account of these disasters and the depressed condition of prices, the situation seems to justify—an appropriation which would be sufficient to permit the payments to be carried for a period of not to exceed three years. I was informed by some officers of the bank that that would jeopardize the whole system and freeze up their assets, which I presume means their right to foreclose and take the property, and that it would extend for three years, the condition which now exists, when the proposition involved in the bill which I introduced was that surely within three years we would know whether or not this horrible condition would be relieved. That was from the officers who represented the bank in this city. I not only introduced a bill to that effect, but I understand the senior Senator from Mississippi [Mr. HARRISON] introduced one involving the identical principle. Yet in the face of that jeopardy, as they call it—that is, the Government coming in and maintaining the salability of the bonds—they prefer to close out these people and possess themselves of the land.

Mr. HARRISON. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Mississippi?

Mr. BLACK. Certainly.

Mr. HARRISON. I am delighted that the Senator has read that communication which is, I take it, from the Federal land bank at New Orleans. Will the Senator give us the date of the letter?

Mr. BLACK. I have quite a number of letters. One to which I referred was written December 6, 1930. The other from the Federal land bank was dated August 25, 1930.

Mr. HARRISON. We had an extended hearing this morning before the Banking and Currency Committee looking to an extension of these loans and for an advancement to be made out of the Treasury of the United States to meet any interest that might be due upon the bonds. The Federal Land Bank Board representative there this morning said that every possible extension was being given in these various cases, and so forth. In other words, they present quite a different picture from that which has come to me through innumerable letters from correspondents in my State and the communication from the Federal land bank itself.

Mr. SMITH. Mr. President, may I ask the Senator from Mississippi a question?

Mr. BLACK. I yield for that purpose.

Mr. SMITH. Was there any development in the hearing had this morning before the Committee on Banking and Currency as to any reserve the bank had which it might use to meet this interest? They stated to me, as we all know, that the sale of these bonds is the source from which they get the money to loan to the farmers. The interest on the bonds must be met or the bonds will be discounted and vitiated in the market. The plea to me was that this being the only source, they had to collect or foreclose and get out of the property enough to meet all the obligations incurred under the mortgage up to that time. Did they indicate to the Senator that they had any reserve?

Mr. HARRISON. They contend this is the only way of getting the interest, and that is why the bill which I introduced provides for the advancement to meet the interest payments out of the Treasury. The Treasury will lose nothing thereby because they get a first lien on the property.

Mr. SMITH. It is simply added to the principal to be collected at the expiration of the time?

Mr. HARRISON. Yes.

Mr. CARAWAY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. BLACK. Certainly.

Mr. CARAWAY. While the Senator is discussing that question, the same policy is being pursued by the land bank in St. Louis, except that it is going farther. It is making no loans, although it pretends that it is. It is receiving fees for making inspections, and refusing every loan. When men are already hard up and absolutely broke it will take \$40 from them for an inspection and then decline the loan without any reason for it except that they can not make this particular loan. It is not exactly petty larceny, but it approaches so closely to it that it needs quite a definition to distinguish it.

Mr. McKELLAR. Mr. President, will the Senator yield so I may ask the Senator from Mississippi a question?

Mr. BLACK. I yield.

Mr. McKELLAR. I desire to ask the Senator if the officers of the Farm Loan Board stated that they were not foreclosing mortgages? I so understood him. If such was the statement, it certainly does not apply to the Louisville district, because in that district, in which Tennessee is included, I have many letters saying that the mortgages are being foreclosed, and are being foreclosed this very month.

Mr. HARRISON. They said they are foreclosing in no case where there is the slightest possibility of ever getting anything out of it. In other words, what they state is not the situation as the facts come to me from innumerable people in my own State.

Mr. SMOOT. The experience we have had in our State is that there is no foreclosure until the man has left the land and said he was not going to carry out the terms of the mortgage.

Mr. BLACK. Mr. President, going a step farther, I want to call attention to what the Government is doing to the southern farmers. We have made loans to the shipbuilders amounting to more than \$131,492,000. I sent to the Secretary of the Treasury about 10 days ago a request that I be given the amount which has been loaned to the railroads. To-day I have received a reply to that request, and

I find that we have loaned to the railroads more than \$290,000,000 under section 210 of the transportation act. With more than \$131,000,000 loaned to shipbuilders, with numerous subsidies given them running up into the millions on account of mail contracts, with more than \$290,000,000 loaned to the railroads, we find a protest here that we can not afford to draw a few millions from the Public Treasury to relieve starvation and hunger for our own people. Mr. President, what is the reason for it? Why is it that the Federal land banks are closing down on the farmers of the Nation?

Some time ago there appeared in the conservative Saturday Evening Post an editorial lamenting the fact that 13 per cent of the people of the United States own 90 per cent of the country's wealth. The Saturday Evening Post said the facts had been found by a commission of which Mr. Hoover was a member. All over the land we find signs of a more rapid concentration of wealth in the hands of the few at the cost of increased poverty to the many. To-day, with wheat bulging the granaries, with feed being thrown into the waters, with wheat itself being used for fuel, with sufficient clothing materials in the country to be manufactured to clothe all the people of the world, with a surplus of practically every commodity, we find millions of people walking the highways and byways of this great Nation in search of employment and suffering from hunger and cold. In the face of these distressing facts we find on the part of the administration opposition and hostility to the Congress voting \$25,000,000 out of the accumulated wealth of the Nation in order to take care of those who are in distress.

Mr. President, the first principles of humanity require that the Government itself meet the situation to-day. The man who claims that \$10,000,000 will more than scratch the surface talks with ignorance of the situation as it is. It can be met in only one way to-day fairly and squarely so that the burden will be laid upon those who ought to bear it, and that is by a contribution out of the Federal Treasury. The Government has a right to tax the great wealth of those who have grown fat and bloated by reason of unfair laws which have created monopoly, resulting in the concentration of the wealth of the many into the hands of the few.

So, Mr. President, it was without any hesitation that I joined the senior Senator from Arkansas [Mr. ROBINSON] in offering the amendment in order that we of the Congress may do our duty, whether any other branch of the Government does its duty or not, in providing relief for those who are suffering from hunger.

At this point I desire to say that so far as I am concerned—and I understand it is satisfactory to the senior Senator from Arkansas [Mr. ROBINSON], whose attention I invite—that the amendment shall read, in line 6, after the word "food," the words "medicine, medical aid, and other essentials to afford human relief in the present national emergency."

Mr. ROBINSON of Arkansas. That is satisfactory to me.

The VICE PRESIDENT. The Senators modify the amendment as stated.

Mr. BARKLEY. Does that include clothing?

Mr. BLACK. It will include everything necessary to afford human relief in the present national emergency, and, of course, that would embrace clothing.

Mr. CARAWAY. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. BLACK. I yield.

Mr. CARAWAY. Would it be satisfactory to both Senators to add the word "adequate" or "adequately"?

Mr. BLACK. Adequately?

Mr. CARAWAY. Yes. As the Senator knows, the Red Cross is trying to feed people in my State on a cent a meal. They would not be willing to try to live on such an amount themselves; they would not try to maintain even a pet dog on it, but that is the amount on which some people are being fed there.

Mr. BLACK. Where would the Senator suggest that the word "adequately" come in—before the word "supplying"?

Mr. CARAWAY. I suggest that it should read "supplying food adequately to persons otherwise unable to procure the same"—after the word "supplying," in line 6.

Mr. BLACK. May I ask if it would not be satisfactory to insert the word "adequate," so that the clause would read as follows:

To be immediately available and to be expended by the American National Red Cross for the purpose of supplying food, medicine, medical aid, and other essentials to afford adequate human relief in the present national emergency.

Mr. CARAWAY. I should like to suggest that people are entitled to eat enough really to enable them to live, and not just starve to death by slow degrees.

Mr. BLACK. I agree thoroughly with the Senator as to that.

Mr. ROBINSON of Arkansas. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. BLACK. I yield.

Mr. ROBINSON of Arkansas. I think there should be added also at the end of the amendment language such as this:

Any portion of this appropriation unexpended on June 30, 1932, shall be returned to the Treasury of the United States.

Mr. BLACK. That is entirely satisfactory to me.

The VICE PRESIDENT. The Chair will suggest that modifications which the Senators desire to offer to the amendment be sent to the desk.

Mr. BLACK. I send the amendment to the desk as it has now been modified.

Mr. SHORTRIDGE. Mr. President—

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from California?

Mr. BLACK. I yield.

Mr. SHORTRIDGE. I will take the liberty of suggesting to the Senator from Arkansas that we should not hastily agree to the words suggested. I should like to look them over. I could not hear all, but there were phrases there which I fear are altogether too general.

Mr. BLACK. Suppose I read the amendment as modified to the Senator?

Mr. SHORTRIDGE. I do not want to decide the question on the moment.

Mr. ROBINSON of Arkansas. Let me inquire of the Senator from California if the words to which he has reference are those proposed by the Senator from Alabama or those proposed by me?

Mr. SHORTRIDGE. I refer to the words suggested by the Senator from Alabama.

Mr. ROBINSON of Arkansas. Out of deference to the Senator from California, I suggest to the Senator from Alabama that he hold the matter in abeyance.

Mr. SMOOT. Mr. President, it is quite evident that we can not get a vote upon this amendment to-night, and if there are no—

Mr. HEFLIN. Mr. President—

The VICE PRESIDENT. The Senator from Utah has the floor.

Mr. HEFLIN. I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HEFLIN. If the Senate should take a recess now, the pending matter will be before the Senate the first thing in the morning, will it not?

The VICE PRESIDENT. It will be.

Mr. HEFLIN. I hope that we will continue with its consideration until it shall have been disposed of.

Mr. SMOOT. I understand the Senator from Alabama has concluded his remarks, has he not?

Mr. BLACK. I am willing to defer the matter until to-morrow when the Senate convenes.

Mr. SMOOT. The Senator had better go on and conclude his remarks, and then we will take a recess.

Mr. BLACK. I prefer to wait until to-morrow. If I have anything else to say I would rather say it then.

Mr. SMOOT. Very well.

Mr. BINGHAM. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Connecticut?

Mr. SMOOT. I yield.

Mr. BINGHAM. I ask unanimous consent that there may be printed at this point in the RECORD an editorial from the New York World of Friday, January 16, 1931, entitled "The Drive for a Dole," which expresses the sentiments which I should have liked to have expressed had there been time to-day.

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial referred to is as follows:

[From the New York World, January 16, 1931]

THE DRIVE FOR A DOLE

Defeated in his efforts to add an appropriation of \$15,000,000 for food to the drought relief bill, Senator ROBINSON of Arkansas has served notice that he will undertake to include \$25,000,000 for food for the drought sufferers in either the agricultural or the deficiency appropriation bill when these measures come before the Senate, and that if this proposal is rejected he will prevent the passage of the bills. The Senator does not make it clear why, if the \$15,000,000 was ample in his first project, it should be necessary to raise it by \$10,000,000 in his next. The amount of the proposed appropriation, however, is not the important issue.

The question really is one of principle and precedent, and the answer is not dependent on the degree of one's sympathies with the distress in the drought-stricken States. According to the most authentic reports, the suffering in this area is serious and the need of relief is urgent. The dispute in Washington is over the question whether this relief shall be supplied by the Federal Treasury or by voluntary contributions to be administered by the Red Cross. A campaign to raise \$10,000,000 has already been inaugurated by the Red Cross, but Senator ROBINSON of Arkansas and his colleagues from the distressed States insist that this sum is inadequate and that Federal aid is necessary.

It should be noted that Federal aid to the extent of \$45,000,000 has already been voted. This will take the form of loans to farmers for the purchase of seed, fertilizer, animal feed, and other supplies needed to make a new crop, and the purpose is to help the farmers reestablish themselves as producers. It is a far cry from this to a system of direct relief through the Government's supplying of food. The principles involved in the two cases are wholly different. Once the Federal Government embarks on a program of supplying its needy citizens with food, the demands which may be made upon the Treasury for such a purpose will be practically without limit. The Government can be no respecter of persons. If the drought sufferers are the victims of conditions beyond their control, so are the idle coal miners, and so, for that matter, are the four or five million unemployed throughout the country. If the Government feeds one group it should feed all, and once it has embarked on such a policy the politically minded lawmakers will never permit its abandonment.

The experience of European governments with the dole and in past years the experience of some of our American cities with public outdoor relief afford ample warning of what is likely to follow from the adoption of a policy of this sort by the Federal Government. What is designed as an emergency measure will develop into a permanent system, imposing a constantly heavier burden and tending to perpetuate the very conditions it was created to relieve.

The political pressure upon Congress to vote direct relief is very great. The indirect relief which has already been voted is to be distributed in no fewer than 21 States, and every Congressman from this area must face the alternatives of voting money to his suffering constituents and of denying them this relief from considerations of a broad and abstract principle which they will hardly understand and certainly will not appreciate. Hence the need of an aroused and enlightened public opinion for the support of those opposing the establishment of a precedent which will lead directly to a nation-wide system of doles. The method of administering direct relief which has been employed heretofore is still available. The American people have always responded generously to the appeals of the Red Cross, and the Red Cross has always done its work well. There is every reason to believe that both will continue to do so.

So much for the principles involved. The tactics of the proponents of a food appropriation also call for consideration. Apparently they hope to carry their point by the threat of forcing a special session. If the appropriation is not tacked onto the agricultural or the deficiency bill, they may conduct a filibuster to prevent the passage of these measures before adjournment on March 4. Neither Congress nor the President desires a special session. Some business men are nervous over the prospect of one. The advocates of the food amendment hope, therefore, that their threat of an extra session will bring Congress and the administration to accept their program as the lesser of two evils. But that is just what their program is not. A special session is by no means so dangerous as some politicians would have us believe. It will bring certain annoyances and inconveniences, but the mere avoidance of these will not justify the payment of the price which is demanded by the advocates of the dole.

RECOMMITMENT OF NOMINATION OF CHARLES H. BEWLEY

Mr. McKELLAR and Mr. TYDINGS addressed the Chair.

The VICE PRESIDENT. Does the Senator from Utah yield; and if so, to whom?

Mr. SMOOT. I yield to the Senator from Tennessee.

Mr. McKELLAR. As in open executive session, I ask unanimous consent that the nomination of Charles H. Bewley to be postmaster at Greeneville, Tenn., may be returned to the committee.

Mr. SMOOT. Is that the nomination the Senator requested returned the other day?

Mr. McKELLAR. No; this is a different one. The other one was returned.

Mr. SMOOT. The chairman of the committee is not here. May it not go over until to-morrow? I, myself, have no objection to the request, I will say to the Senator.

Mr. McKELLAR. If the Senator prefers that course, I will defer the request until to-morrow.

Mr. SMOOT. I should like to have that done.

PROHIBITION

Mr. JONES. Mr. President, I have here an address delivered by Rev. M. A. Matthews, one of the leading ministers of Seattle, Wash., on the subject of prohibition. I ask that the address may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman, ladies, and gentlemen, we assume you are here to consider ways and means of defending the Constitution of the United States; therefore, let me call your attention to some controlling facts.

1. The question now before this country is whether or not the people are loyal to the Constitution. There is but one dividing line. On one side or the other you will find the people. There is no neutral ground. They are constitutionalists or they are personal libertarians. They believe in the Constitution as the chart of our liberties or they believe in satisfying their appetites and therefore are demanding personal license. They believe in liberty under law or they believe in license regardless of law. There is no such thing as personal liberty. The only liberty possible is liberty under law. You can not have liberty without law.

2. The agitation is revolving around the eighteenth amendment because certain political forces antagonistic to liberty under law are advocating the repeal of the eighteenth amendment. What is the eighteenth amendment? It was adopted January 29, 1919, and reads as follows:

"SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from, the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

You will see from the language used that the eighteenth amendment prohibits the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes. The purpose and intent of the eighteenth amendment is to prohibit the manufacture, sale, transportation, importation, and exportation of intoxicating beverages. The eighteenth amendment does not say a man should not drink; it does not say that it is a violation of law to take a drink; it does not say that it is a sin to take a drink of intoxicating beverage, but it does undertake to prohibit the manufacture and sale of intoxicating beverages.

The eighteenth amendment further says that the Congress and the several States shall have concurrent power to enforce this article by appropriate legislation. Concurrent power is vested in Congress and in the States to enforce the provisions of this amendment. It became incumbent upon Congress to pass laws for the enforcement of this amendment and, at least in spirit, it became incumbent upon the States to pass laws to enforce the eighteenth amendment. It would be at least a violation of the spirit and moral intent of the eighteenth amendment if States were to repeal their laws and thus nullify the eighteenth amendment within their boundaries, and thereby repudiate their concurrent jurisdiction and secede from their moral responsibility. They have no such moral right, and I doubt their legal right under the Constitution so to do. They, having assumed under the Constitution concurrent responsibility, have no moral right—and I do not believe they have any legal right—to repeal their prohibitory laws.

There is a moral obligation on the part of the States to uphold the Constitution and enforce the laws passed under the authority of the Constitution. Every Federal officer and every State officer

in the judicial, executive, and legislative departments of government takes an oath to uphold the Constitution of the United States; therefore the question before the country is obedience to that oath, respect for the Constitution, the enforcement of its provisions and laws enacted under its authority.

The Constitution is explicit; the laws are upon the statute books; the legal and moral obligation rests upon the States as corporate entities of this great Nation and upon every law-abiding citizen to uphold, to enforce, and to maintain the Constitution regardless of personal opinion.

3. There is but one way by which the Constitution can be amended; namely, the constitutional way. If Congress were to pass a resolution submitting to the legislatures of the several States the question of whether or not the eighteenth amendment should be repealed, and if 36 States voted for the repeal, then the Constitution would be amended and the eighteenth amendment repealed.

The Constitution also says, "through the legislatures or conventions." Of course, we do not use the convention system, we use the legislative system, therefore States would not call conventions, they would follow the method that has been in use for many years for amending or repealing articles in the Constitution.

The people should understand that a popular vote on the question would not in any way affect the Constitution. In fact, there is no Federal authority, nor is there Federal machinery, by which the Federal Government could hold a referendum on the question. It would be useless and valueless; because if every man, woman, and child voted for repeal it would not take the eighteenth amendment out of the Constitution. There is only one way to change the Constitution, namely, a resolution passed through Congress submitting to the legislatures the question of repeal. The question must be voted in the affirmative by three-fourths of the States before you can repeal the amendment. Remember the legislatures must vote for the repeal, not the people.

Remember also that the people elect the legislators, Congressmen, and Senators; therefore their voice is expressed in that election. We should look well to the methods now being used by the wet forces to elect wet legislators and wet Congressmen.

4. Those who are advocating repeal are intelligent people, no doubt, and they know that the eighteenth amendment can not be repealed without producing chaos in this country.

Congress has no authority to prohibit the manufacture and sale of intoxicating beverages except through the authority vested in it by the eighteenth amendment. Therefore, do the people who advocate repeal of the eighteenth amendment desire to reenter the business of manufacturing intoxicating beverages? Do they desire to put the breweries and distilleries in the position of power they held before the eighteenth amendment was passed? Do they desire to foist upon the people of America the liquor traffic with all of its horrible consequences? That is what repeal would produce; therefore, those who advocate repeal must face the consequences and admit that they are working in the interest of the manufacture and sale of intoxicating beverages. They are working in the interest of the 190,000 retailers, the 1,400 breweries, and the 843 distilleries that existed under alcoholic control.

The people who are advocating the repeal of the eighteenth amendment are doing so because of one of three reasons:

(a) They desire to reestablish the alcoholic business in America. They desire to reestablish alcoholic rule in America.

(b) They desire to profit from the reestablishment of the alcoholic business in this country. It is the profit that is perhaps controlling their desire for repeal.

(c) They are interested in their appetites and are therefore opposed to regulation and legal prohibition of an evil that is indescribable in its horrible consequences.

At least one of these reasons, if not all three, control the advocates for repeal. They are not sincere when they say they are asking for the repeal for the purpose of establishing temperance. No intelligent person believes that statement.

It is folly to talk about the establishment of temperance by the repeal of the eighteenth amendment. Is there anybody in the country who is so far forgetful of the truth as to say that the brewery, the distillery, the saloon, and the institutions established thereunder were temperance agents, temperance schools, and temperance producers? Is there anybody who can truthfully say that the saloon, the distillery, and the brewery produced sobriety, prosperity, peace, and happiness in this country? I challenge America or the world to find any spot on earth where the distillery, the brewery, the saloon, the wine room, or the beer garden ever advocated temperance, obedience to law, righteousness, sobriety, and Christianity. They were in the business of manufacturing and selling that which produced intemperance and inebriety. They were producing drunkards, dissoluteness, homicide, and fratricide. They scattered the beach of time with the bodies of their victims. They wrecked homes and buried 75,000 drunkards in America every year.

Do the advocates of the repeal of the eighteenth amendment want us to understand that they desire to reestablish in this country that condition and vest again in the breweries and distilleries the power to open saloons and reproduce the wreck and ruin of past days? Is that their meaning? They say they do not desire to reestablish the saloon. It is impossible to establish the breweries and distilleries and vest them with power to flood this country with intoxicating beverages without producing the saloon or something that will take its place. They must find an avenue through which to sell, for revenue, that which is manufactured in the breweries and the distilleries. Therefore the advocates of repeal know that it is impossible to manufacture in-

toxicating liquor without establishing a saloon, or its equivalent, through which to pour the poison into the commercial channels of the world.

Let me ask another question. Do they desire the distilleries and breweries to be reinvested with authority to put over the homes of this country the cloud that rested there in the days prior to the abolition of the liquor traffic? Do they desire the distilleries and breweries to be established solely in order that they may make money out of the business regardless of its consequences? Is it revenue they are after, regardless of the wrecks produced? If the revenue could be taken out of the business they would never advocate repeal. They are not advocating repeal in the interest of temperance. They are advocating it because they desire to fill their coffers with the blood of drunkards and the blood of the drunkard's wife and baby. It is blood money they are after, not temperance!

These are questions that ought to be answered because we are in a deadly struggle to defend the Constitution, to uphold law and order, and to perpetuate the prosperity and happiness that has been produced under prohibition.

5. Let us eliminate some of the things that have been charged against the eighteenth amendment.

(a) The eighteenth amendment does not say that it is a sin to take a drink of whisky, the Bible does not say that it is a sin to take a drink of whisky, therefore, when irrational people inject what they call the personal moral equation into the problem they are doing it for other reasons than the establishment of facts.

(b) The moral education and the great value of an educational program have not been forgotten. It is no doubt true that good people were confident that America would respect and honor the Constitution, and, perhaps, they became rather negligent of their educational duties. The moral forces of the country, the churches, Sunday schools, public schools, colleges, and universities should continue to teach at every possible opportunity the evil effects of alcoholic contents upon the human system. The moral education should go on because moral persuasion is more powerful than legislation. Moral education is essential in this country, and, without it, it is impossible for us to develop the youth of the land. The eighteenth amendment did not eliminate that responsibility, nor did it advocate that the moral forces lapse in the performance of their duty in that respect.

We have committed a crime against the youth of the land if we have become indifferent, and we should now begin a most vigorous educational campaign.

"Let but one generation of American boys and girls be rightly trained in body, mind, and spirit, in knowledge and love and unselfishness, and all the knotty problems of our American life, social, economic, and political, would be far on the road toward complete solution. Let the training of but one generation be wholly neglected, and our civilization, losing its art, science, literature, and religion, would be far on the road to primeval savagery."

(c) The eighteenth amendment was not put into the Constitution by coercion, but, by the deliberate, overwhelming vote of the legislatures of this country. A large number of the States had voted dry prior to the submission of the eighteenth amendment. In fact, 33 States had so voted. There was never submitted an amendment that had a fairer consideration. Ninety-five per cent of the area of the Nation was under prohibitory law, and 86 per cent of the population were living under such prohibition. Therefore, the eighteenth amendment was logical.

(d) Prohibition under the eighteenth amendment did not produce the bootlegger. He began to thrive in Massachusetts and other parts of this country 150 years ago. He came into existence when the grocery man and dry-goods merchant was permitted to sell wine and beer. In New England they wore boots, and he literally reached down into the legs of his boots and produced the small pint bottle of hard whisky. He was the real and literal bootlegger. He was the product of the light-wine and beer régime of 150 years ago. He existed before prohibition; he continues to exist under prohibition; but he is being destroyed and will be eventually reduced to a very small minimum by the law-enforcing, Constitution-loving people of America.

(e) Prohibition did not produce the moonshiner. The moonshiner came into existence when this Government taxed alcoholic beverages. The old mountaineer moonshiner considered he had a perfect right to distill his corn or to grind it into meal. He did not become a moonshiner for revenue purposes. He became a moonshiner for the satisfaction of his own personal appetite. He began to sell his product after the Government taxed alcohol. He existed in the mountains of the South and of the East before prohibition. He has continued to exist, but is being reduced, and will be controlled ultimately.

(f) Prohibition did not produce the speak-easy. The speak-easy is not the product of prohibition. The speak-easy, the blind pig, the blind tiger, and such other designated institutions were the products of the saloon. They existed under the saloon régime. The man who conducted a speak-easy or blind pig bought a barrel of whisky from the saloon, adulterated it, multiplied it into three or four barrels and sold it right under the shadow of the saloon and under the protection of the saloon. When we say under the protection of the saloon, we mean that the existence of the saloon was a protection to the speak-easy, because if one of the blind-pig customers was seen on the streets in an intoxicated condition the public attributed his condition to the saloon, therefore the saloon really concealed and protected the blind pig and the speak-easy. In every town where there were saloons there were at least as many speak-easies, blind pigs, or blind tigers as there were saloons.

Let me read extracts from an interview with ex-Legislator Richard Patterson, president of the Pennsylvania State Liquor League, published in the Pittsburgh Leader, March 12, 1896:

"My investigation disclosed the fact that about 1,900 speak-easies flourish in Wilkes-Barre and vicinity, 200 in Bethlehem and South Bethlehem, and 66 in Carbondale. In Scranton the licensed saloons keep open on Sunday, unmolested by the authorities, but despite this fact there are from 750 to 1,000 unlicensed bars or tap rooms in the city.

"There are 15,000 speak-easies in Pennsylvania," continued Mr. Patterson, "and about 20 per cent of them would pay for licenses if the charge were more moderate."

Let me read extracts from an editorial published in the Pittsburgh Leader of November 15, 1900:

"At the meeting of the retail liquor dealers yesterday the statement was made that there are in Allegheny County 2,300 unlicensed dealers who sell liquor, in violation of the law, every day in the year, Sundays and election days included. This is a decidedly startling assertion, for while it is notorious that speak-easies exist and are to some extent tolerated by the authorities, there has been no visible reason to suppose that illicit traffic was being conducted on so large a scale. The district attorney of the county and the public-safety directors of the city ought to be heard from on this head. If the law is being violated so extensively as the licensed dealers claim, it is manifest that there must be a wholesale neglect of duty in official quarters.

Saloons, etc., operating in Allegheny County, Pa., under the Brooks law, 1900.....	1,047
Speak-easies according to licensed liquor dealers' report, 1900.....	2,300

Total..... 3,347

(g) Prohibition did not originate home-brew. The farmer made his hard cider during saloon days, the family made the blackberry wine, the grape wine, and the persimmon beer during saloon days. Prohibition did not originate, institute, or establish the home-brew department. Families have been engaged in that pastime ever since the family existed. Education, enlightenment of conscience, public opinion, common decency, and social respectability will destroy even those things.

When it is stated that there are more home-brewing homes than ever before you may rest assured that the statement needs qualification. Stronger words could be used. The statement is the exaggeration of enthusiastic alcoholic propagandists. So far as an accurate statement is concerned, it is untrue.

It may be true of a certain social clique interested in repeal or the repudiation of the Constitution, law, and order.

(h) Prohibition did not produce the crime wave. You must look to the war, the neglect of the Gospel, and the general moral decline of the people. If the preachers were preaching the Gospel and enforcing in a doctrinal way the teachings of the Ten Commandments the crime wave would be reduced in power.

Remember another great fact: Prohibition did not produce the crime wave, neither did it produce the revolt against the eighteenth amendment. The revolt against the eighteenth amendment and against the prohibitory laws is a part of the general revolt against law, order, and authority. Those who assert the eighteenth amendment is responsible for the crimes of the country know they are misstating the facts. They are using the eighteenth amendment as an excuse. It is not a cause. Syndicated and organized crime in this country began before the eighteenth amendment was put into the Constitution.

6. Let us talk for a few minutes about some of the benefits that prohibition has produced.

In 1914 we consumed 2,252,272,765 gallons of wine, beer, and distilled spirits, plus the hundreds of millions of gallons of illicit spirits. In 1920, six years afterwards, we consumed only 306,000,000 gallons, a reduction of practically 2,000,000,000 gallons. In 1930, 16 years afterwards, we consumed about 2,000,000 gallons, a reduction of 300,000,000 gallons in 10 years.

The best research opinion is that the cost of drink to the people of the United States for the four years prior to prohibition was (conservatively estimated) \$2,000,000,000 per year—this is, taking the price of beer at 5 cents per glass and whisky at 15 cents per glass, the price paid for these liquors about this time. This is counting the bill on the amount of liquor produced during the years 1914 to 1919 in the United States.

Remember when this country was consuming 2,250,000,000 gallons of intoxicating beverages that did not include the millions of gallons manufactured in the homes, in the moonshine stills, and in other places. It is asserted by the advocates of repeal that we are consuming 800,000,000 gallons of intoxicating beverages now. Of course, sensible people know that it is impossible for them to make such a statement with any degree of accuracy. When they make the statement on the theory that this is the first time the illicitly manufactured intoxicating beverages were used, they know they perjure themselves. If we consume 800,000,000 gallons of illicitly distilled beverages now, there were at least that many or more gallons of illicitly distilled beverages which should have been added to the 2,250,000,000 of legitimately distilled beverages under the saloon days. Of course, they know their claim is extravagant, inaccurate, and made for propaganda purposes. Mr. Woodcock does not assert that but he states it is assumed.

But, if they admit they are distilling that much, they in that admission confess that we have reduced the manufacture and

consumption of intoxicating beverages practically 2,000,000,000 gallons, according to their own figures and reasoning. Prohibition has been a benefit beyond any man's power to refute the statement.

The bank deposits show the following facts:

Bank deposits and industrial insurance

(Report of the American Bankers' Association, 1929)

Comparisons of the last five normal wet years with the five last normal dry-year periods.

Years	Number of depositors in banks	Per capita savings
1912-1916.....	12,375,000	\$90.00
1922-1926.....	39,150,000	188.00
Up to date, June, 1930.....	46,750,000	400.00

¹ Approximate.

INDUSTRIAL INSURANCE

Comparisons of the last six normal wet years with the last six normal dry years.

Years:	Amount
1914-1919.....	\$5,000,000,000
1920-1925.....	12,000,000,000
1926-1930.....	100,000,000,000

In 1919 the total individual deposits in savings banks amounted to over \$13,000,000,000. In 1928 these total individual deposits had climbed to the sum of \$28,500,000,000. In 1930 there are over \$30,000,000,000 in individual deposits. Do you want to close the deposit boxes and open the saloon cash registers?

Let us remember one great economic fact: A dry nation is a consuming nation. One European nation spends annually on its drink bill \$1,500,000,000. That nation is suffering because of its enormous unemployment situation. If that amount of money spent on intoxicating beverages was employed in legitimate channels, their economic condition would be changed. This nation has increased its purchasing power \$5,000,000,000 per year since 1920. This nation would not have on deposit to-day practically \$30,000,000,000 if it were not a prohibition nation.

7. The law can be enforced, and it is being enforced. The following records prove that fact:

The record of arrests and convictions for violation of the national prohibition laws and State prohibition laws shows—

Percentage of cases in which convictions were obtained..... 83 1/3
Percentage of cases in which there was failure to convict..... 16 2/3

The figures for 1929 were as follows:

Year, 1929:	
Arrests by Federal agents.....	66,878
Arrests by State agents.....	11,156
Total arrests.....	77,034
Convictions.....	56,548

The above figures show prohibition enforcement more successful than enforcement of other Federal laws against crime.

Department of Justice records show for the year 1929:

	Per cent
Convictions on narcotic cases.....	83
Convictions on Mann Act cases.....	73
Bankruptcy cases, convictions on.....	47
National-bank cases, convictions on.....	64

The law can be enforced. Mistakes have been made in law enforcement. They were made because the first appointees were political appointees, and in many instances corrupt men were intrusted with the duty of enforcing the law. They were brutal, inhumane, unreasonable, and illegal in their practices. The Government does not require Federal agents to commit crimes to enforce law.

Those evils and abuses on the part of corrupt officials, incompetent and inhumane officials, have been corrected and will not be permitted under the supervision of the United States Attorney General, Mr. Mitchell, who is one of the finest attorneys the United States has ever had. Corrupt officials will be driven from power. Under his wise administration a sane, legal way of enforcing the law will be the practice.

We have enforced the statute against beer 90 per cent; against wine, 80 per cent; and against hard liquors, 75 per cent. The law can be enforced and will be enforced under Mr. Mitchell's instructions.

8. Who is objecting to the enforcement of the law? Who is violating the law? Did the liquor forces ever try to enforce law? Men are violating this law from selfish reasons. They are really rebelling against legal authority, but such rebellion against law and order is not new. Let me recite Washington's words, which, no doubt, are applicable to-day:

"If the minority, and a small one, too, is suffered to dictate to a majority, after measures have undergone the most solemn discussions by the representatives of the people, and their will through this medium is enacted into a law, there can be no security for life, liberty, or property; nor, if the laws are not to govern, can any man know how to conduct himself with safety. There was

never a law yet made, I conceive, that hit the taste exactly of every man or every part of the community; of course, if this be a reason for opposition, no law can be executed at all without force, and every man or set of men will in that case cut and carve for themselves, the consequences of which must be deprecated by all classes of men who are friends to order and to the peace and happiness of this country."

Let us revert again to the question: Who is advocating repeal? Why the conspiracy against the Constitution and the enforcement of its provisions? Are we to be controlled by the wine interests of France, the beer interests of Germany, the liquor interests of Great Britain, and the alcoholically interested people of America? Is sobriety, prosperity, peace, and progress to be surrendered to these people?

You must admit that there is a deadly conspiracy against the Constitution at the present moment and that conspiracy comes out of one of the three reasons previously mentioned. It is selfishness, it is personal appetite, it is personal gain, or it is general rebellion against law and order. It is not in the interest of temperance, law, and order.

Why the conspiracy against the Constitution, and why this attack upon the President of the United States? He is making the hardest fight that has been made since President Wilson faced the invisible government. Every law-abiding citizen ought to be loyal and faithful to the President of the United States, Mr. Hoover, regardless of his political or personal opinion. He is fighting one of the greatest battles that has been fought. This conspiracy is for the purpose of wrecking the parties and destroying party government in this country. The conspirators have already put the beer cap on one political party and the bar-room apron on the other. They will go like the Whig and other parties of the past. Sixty-five per cent of the people are sane, sober, and dry. Again let me ask, Why the conspiracy?

They desire to create a whisky bloc in this country in order that they may nullify the Volstead Act and introduce light wine and beer. They forget that it is impossible to introduce light wine and beer without introducing the harder brands of intoxicating beverages. Men do not become drunkards by beginning with the use of hard liquors, they become drunkards by beginning with beer and wine. It is impossible to make a temperance society out of a brewery or a Sunday school out of a winery. Those institutions were never intended to produce temperance, sobriety, prosperity, and happiness. They were for the purpose of filling the coffers of their owners, regardless of the poverty produced in the homes of their customers.

9. The laws shall be enforced for the following reasons:

It is folly to say that you can repeal the eighteenth amendment and turn the authority for the regulation of the liquor traffic over to the States. It is folly to say that you could reenact the Webb-Kenyon bill prohibiting interstate traffic. It is an inconsistent position, because if you listen to the advocates for repeal they tell you that the bootlegger is thriving and that the law is being violated and therefore to enforce the law you should abolish the law. It is inconsistent because it would be impossible to prevent the bootlegger from crossing State boundaries. States that are dry, and will forever remain dry, would be invaded by the bootleggers of wet States. The condition would increase in severity until it would become necessary for the Federal Government to place its Standing Army at the State borders to protect the States of sobriety from the States infested by the bootleggers and the criminal elements produced by the distilleries and breweries within the wet States. It is impossible to conceive of such a chaotic condition. This country should never return to such a fallacious view of States' rights.

The advocates of repeal say they object to prohibition, sumptuary laws, and legal restraint. Suppose States prohibit the manufacture of intoxicating beverages, as 33 of them have done. What is the difference between State prohibition and national prohibition? They are both prohibitory regulations. Of course, the wet people are not sincere when they object to prohibition by the Government and advocate it by the States. Prohibition is prohibition, whether it be by the States or by the Federal Government.

The famous Association Against Prohibition and the famous Crusaders are men from the States that are receding from their moral obligations. Fifty-three men constitute the marvelous Crusaders and Anti-Prohibition Association. Eighty-four per cent of the association's income is contributed by the citizens of New York, New Jersey, Pennsylvania, and Illinois, four States that are making an attack upon the Constitution. They confess they have spent over a million dollars. Marvelous temperance forces! Their theories and practices are inconsistent with good citizenship, law, order, and decency.

10. The Eighteenth Amendment should not be repealed. There are many reasons why it should not be repealed. Let me call your attention to one controlling reason:

Those who are advocating repeal are talking about the work of the bootlegger and what he is doing to the country. They tell you that a large percentage of the automobile accidents are due to intoxicated people. Let us reason that out for a few minutes. Last year we killed 31,000 people with automobiles and we injured 1,000,000 people. The economic loss from motor accidents is stated to be \$850,000,000 for the year 1929. Suppose you repeal the eighteenth amendment and flood the country with intoxicating beverages, how many automobile accidents would you have?

You must prohibit the manufacture and sale of intoxicating beverages, or you must prohibit the manufacture of automobiles.

Which are you going to prohibit? You can not put gasoline in the automobile tank and alcohol in the drivers stomach and co-ordinate the two. It can't be done. If you were to revert to the old days with breweries and distilleries in every State and in many counties, and saloons on every corner, you would kill hundreds of thousands of people. No intoxicated man can drive an automobile. If the logic of the advocates of repeal is true, namely, that a certain percentage of the present enormous death rate from automobile accidents is due to bootleggers' whiskey, what would be the result if you manufactured and sold it without restraint? The automobile business in this country is one of the biggest in the country. There are 25,000,000 automobiles on the streets to-day. The business amounts to billions of dollars. We have billions of dollars invested in the business, in the manufacturing plants. They answer: Europe drives machines and sells liquor. The rest of the whole world has only five or six million machines, and our conditions are different. We have 25,000,000 machines.

Remember, there are only about thirty or thirty-one million machines in the world. America has 25,000,000 of them on the streets. The following tables give registrations of January 1, 1930, of some of our large cities as compared with foreign countries. Remember, our cities compared with foreign countries:

	Total vehicles registered	Population
New York City.....	733,191	6,017,000
Chicago.....	519,100	3,250,000
Los Angeles.....	514,010	1,468,000
France.....	1,240,000	
Germany.....	609,030	
Austria.....	37,550	
Belgium.....	137,500	
Canada.....	1,168,183	
Denmark.....	100,625	
Sweden.....	144,519	
Switzerland.....	71,916	
North Ireland.....	24,664	
Scotland.....	118,472	
Wales.....	61,181	
England.....	1,242,839	

You can see from these tables that with the exception of France, Canada, and England, New York City and some of our other cities have more registered automobiles than any country in the world.

You can not put 25,000,000 machines on the crowded streets and boulevards of this country without prohibition of intoxicating beverages without killing hundreds of thousands of people. There is no comparison between this country and the rest of the world so far as the automobile problem is concerned.

Every automobile manufacturer knows that you must either prohibit the manufacture of automobiles or you must prohibit the manufacture and sale of intoxicating beverages. Which do you want? Peace, prosperity, and automobiles, or distilleries, breweries, saloons, and unlimited license to buy and sell liquor and no automobiles? You can not coordinate gasoline and alcohol and have safety on the streets, prosperity in the homes, and unmo-lested furnaces in the factories.

There are more than 2,000,000 high-school boys and girls to-day that owe their present educational training to prohibition and sobriety in this country. Do you want to increase the schools or do you want to increase the breweries and distilleries?

You can not have the advanced, efficient mechanical and scientific age which you now have and have the breweries and the distilleries. Which do you want? Do you want the manufacturing plants, the automobile plants, factories, and churches, or do you want the brewery, the winery, the beer garden, and the saloon?

Never mind what they say about the violation of the law by respectable citizens and others. The fact remains that the benefits under the eighteenth amendment are indescribably great. Do you want to give them up and go back to the horse cart, the corner saloon, the brewery, and the distillery, or do you want the boulevard, the garden, the flowers, the schoolhouse, the happy homes, educated children, industrious husbands, and contented wives? Which do you want? You may have one or the other, but you can't have both.

For me and my house we will take the peace, the prosperity, the automobile, the factory, the schoolhouse, the happy home, the church, and the contented family, and forever eliminate the distillery, the brewery, the winery, and the beer garden.

Syndicated vice, organized crime, and undesirable forces have made their attack upon the Constitution, upon law, and Government. They have declared war on decency, sobriety, righteousness, and the judicial department. They have rebelled against law and authority.

I accept their challenge and swear by all the powers possible that law, order, and decency shall be sustained if it is necessary to fill the gutters of the cities of this country with human blood. We shall never surrender to vice. We shall never admit that syndicated crime can use the eighteenth amendment as an excuse to carry on its warfare against authority, law, order, and constitutional government. The cohesive power of righteousness is greater than the cohesive power of wickedness. The American flag shall never be stained, the Constitution shall never be torn to pieces by corrupt hands, and law and order shall never be destroyed by the forces of evil.

America is a law-abiding, liberty-loving country and shall forever remain such, regardless of thirsty crusaders who are attacking the Constitution, law, order, and good government.

I represent the United States Government. I believe in the Constitution. I shall uphold the hands of our fearless, patient, and tireless President. I believe in party government and would like to cleanse the political parties. I believe in law enforcement; I believe in the unrestricted school, the happy home, the peaceful family, the loving husband, the devoted wife, and the unafraid child; consequently, so far as my power and influence are concerned, law shall be enforced and the Constitution shall be sustained. The Government shall be respected, and prosperity, peace, and happiness shall continue under the eighteenth amendment.

INAUGURAL ADDRESS OF GOVERNOR RITCHIE

Mr. TYDINGS. Mr. President, on last Wednesday Gov. Albert C. Ritchie, of Maryland, was inaugurated for his fourth consecutive term. When that term shall have been completed he will have eclipsed all records for continuous service as governor of a State in the United States. Upon that occasion he delivered an inaugural address dealing largely with national matters. It is an excellent paper, and I think it would be well if it could be read by everyone. I therefore ask that it may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Baltimore (Md.) Evening Sun, January 14, 1931]

RITCHIE SPEECH CALLS FOR INDEPENDENCE IN BUSINESS, GOVERNMENT—DELIVERING FOURTH-TERM INAUGURAL ADDRESS OVER RADIO CHAIN, HE RECOMMENDS MARYLAND'S POLITICAL PHILOSOPHY TO THE NATION—FINDS PARADOX OF FEDERAL SYSTEM'S INCREASED POWER INCREASING ITS WEAKNESS

ANNAPOLIS, January 14.—Following is the text of Albert C. Ritchie's address before the State legislature to-day, delivered over the national radio chain of the Columbia Broadcasting System and over Station WBAL, of Baltimore, and inaugurating his fourth term as Governor of Maryland:

"Members of the General Assembly of Maryland, ladies, and gentlemen, on this occasion of my fourth inauguration into the high office of Governor of Maryland it is natural that I should feel profound gratitude to the people who have thus signally honored me. I do—above and beyond everything else. And I confess, too, to a very real sense of humility, born perhaps of the knowledge that even though I do the best I can for the people of my State, that can be but a poor return for all they have done for me. But that best, such as it is, shall be yours.

"In my message last week I discussed in detail what seem to me to be the financial and governmental questions which confront the State at this time, and which the legislature will consider.

SEES MARYLAND'S TRADITIONS SPREADING

"To-day it may not be inappropriate to speak of some of those things which underlie the Maryland theory of government, because I believe the country is entering a decade which will see a new economic and political dispensation in which the ideals and principles incarnate in our Maryland traditions and institutions will find fulfillment.

"These traditions are toleration in all things and to all people; ordered liberty for the individual and the right to follow his own pursuits and to secure his own happiness in his own way, so long as he does not interfere with the like rights of others or the recognized sanctions of society; and a self-governing State, free to settle its local problems in conformity with the needs of its people, who should be unhampered by an excess of government from within and by undue Federal supervision or interference from without.

"These, after all, are the principles on which our National Government was built. Maryland through the stretch of time has been steadfast to them. The National Government has not.

FINDS US AWAKING BELATELY

"If it be true that this is a period to try men's souls, it is also one to open their eyes. If it seems incredible that so complete a collapse of prosperity and so far-reaching a breakdown in law observance have come upon us, it is equally incredible that we should have so long been blind to our political and economic mistakes which have at least contributed to this result, if they have not caused it.

"It was only natural that the Civil War should have been followed by nationalistic tendencies and by a consequent and inevitable increase in the exercise of Federal power.

"The surprising thing is that this tendency should have progressed so long and extended so far without being halted by a demand that the country return to the safe harbor of the Constitution and the Bill of Rights, and that we be free men and free women again.

"The concrete expressions of this march toward centralization are all around us. We see it in the vast expansion of governmental control over transportation and communication and in a thousand regulatory, inspection, and restrictive laws.

GOVERNMENT COMPETES IN BUSINESS

"We see it in the entry of the Federal Government into business—the shipbuilding business, the airplane business, the warehouse business, the manufacturing business, and what not—competing in all these fields with private enterprise, which must both pay taxes and show a profit, while Government, under the obligation of doing neither, can swallow up its losses in general accounts.

"The replacement in industry of men with machines and the growing industrialism of the age have resulted in the flow of more and more goods from our factories until the surplus can only be absorbed by an increased export trade. Yet in place of increasing our export trade the Federal Government, set upon once more, did everything that could well be imagined to destroy it, and built a tariff wall so high that it has flooded our domestic markets with an unmanageable surplus, started the migration of American industries abroad, and is bringing reprisals and retaliations from other nations with which we trade and whose friendship and good will we ought to have.

BELIEVES FARMERS' POSITION UNJUST

"The farmer is not getting his just share of the national wealth and the rewards of his labor are relatively unfair and unjust. Yet by this same tariff wall the Federal Government brought about an increase in the price of nearly everything the farmer buys at a time when the returns from his principal cash crops are the lowest in decades.

"With these factors at least contributing materially, unemployment became greater than ever before in the history of the country—and of what aid is it, let me pause to ask, that our country is dedicated to 'life, liberty, and the pursuit of happiness,' if our men and women are without employment which is necessary for food, lodging, and self-respect, and if our boys and girls who left high schools last year are unable to realize the opportunities for which they studied and worked, because jobs for them do not exist?

"What did the Federal Government—this great edifice which we have builded and to which we have been looking more and more as the almoner and fountain of relief—what did it do to avert the fast approaching storm which the accumulation of all these things was bringing to a head?

HOLDS WASHINGTON HELPED BRING ON CRASH

"At least the country had the right to expect from that quarter economic and financial leadership which would adopt some kind of corrective measures. Instead of that, there was not even the 'world-wide' alibi so popular in high circles. On the contrary, there began a series of inflationary statements and actions which incited, or at least intensified, the crash of 1929, and before the debris from that could be cleared away the Federal Government followed it up with unsupported and misleading statements promising an early, if not immediate, return to prosperity, which has not yet materialized.

"There has also been developed the conception that law is no longer a barrier protecting the rights of the individual against any who would invade them, but that it is a scheme of social control to regulate human conduct and relations and to secure the moral well-being of the individual by forcing upon all the people the social precepts and ideas of some of them.

PROHIBITIONS CULMINATE IN EIGHTEENTH AMENDMENT

"Armed with this strange and un-American doctrine, organized political blocs, leagues, associations, groups, and societies descend on Washington for increased power to the Federal arm, increased access to the Federal Treasury, and increased restrictions and prohibitions on the rights of mankind.

"The high-water mark of all this was national prohibition as imposed by the eighteenth amendment, and no matter what the findings of the Wickersham Commission may be they can not end nor can they minimize the injury to the cause of reasoned temperance, the unhappy temptations to the youth of the land, and the lawlessness and disregard for law which have resulted from putting prohibition in the Constitution, where it ought not to be, instead of leaving the question to the States, where it ought to be.

"There was a time when it was regarded as a sort of quasi-treason to talk about personal freedom in this connection or to speak of the ideals of State sovereignty and of the integrity of constitutional rights in dealing with the subject. That time has gone. People in high places are bold in advocating these doctrines now.

SUCH HAVE BEEN STATE'S VIEWS 10 YEARS

"There is nothing new about Maryland's advocacy of them. For 10 years the Maryland view has been that the whole problem should be turned back to the States so that each State might have the opportunity of settling it in accordance with the needs of its own people and be protected by the Federal Government against interstate shipments which would contravene its laws. We have been steadfast in this position when others who now embrace it and acclaim it lacked either the courage or the conviction to declare it.

"Is it any wonder if all these things have caused a growing loss of confidence in centralized government and a growing conviction that Washington is not the cure-all of our ailments?

BELIEVES PEOPLE SEE POLICY'S WEAKNESS

"I believe that the awakening has come and that the people are beginning to see that government has undertaken too much and is interfering too much with the normal activities of life and the vital processes of society and business. They begin to see, I

believe, that an excess of power can breed an excess of weakness, and that in the widening circle of the Federal Government's powers there is always the play and the counterplay of political parties and political factions governed by political tactics.

"Step by step we have seen the traditional ideals of self-help and self-autonomy of the States undermined and in most cases the relief secured is illusory. It is conceived in politics and for politics and at best falls where it listeth. All this undermines the national stamina.

"By undertaking too much and stepping in too often where it had better stayed out, government itself has helped to create the present crisis. There have been too many experts and advisory commissions. There have been too many noble experiments. There has been too much interference, regulation, and supervision in realms where the proper forces, if left free to work, could have worked to a better end.

POINTS TO EXCESS OF NOBLE EXPERIMENTS

"By this I do not mean to convey any sense of sympathy with those who are opposed to the necessary regulation which government must exercise over the operations of such public utilities as the railroads and the giant combines of power companies in order to protect the public interests. Nor do I mean to comfort those who would thwart the proper and effective application of such necessary regulatory measures by obstructive tactics. What I am referring to are those excursions of government into fields in which government does not properly belong.

"We have had too much government and too much leaning on it. Government has grown too cumbersome to be effective, as well as too costly and arbitrary, and too much shot through with the spirit of autocracy and the inner circle.

SEES A DAWNING OF REVERSE PRACTICE

"I believe that Federal aggrandizement has reached its high-water mark and that the present crisis will further a reverse process. The inability of the Federal Government to shape or control the forces or cure the ills which brought the crisis about, and its palpable impotence in the hour of disaster, are awakening the people to the defects of overcentralized power and to the virtues of a larger measure of self-help and localized government.

"In Maryland unemployment, while happily not so acute or extensive as it is in many sections of the country, is, of course, a major question.

After all, the problem of a stable prosperity, as I see it, would be largely solved if that great complex we call business can be persuaded to exercise a higher order of economic statesmanship and to acquire a clearer conception of the practical aspect of politics and of government.

MORE INDEPENDENCE IN BUSINESS FORESEEN

"I believe there is hope of that. I have a feeling that henceforth business will lean less on government and that not again can the carefully considered advice of a thousand trained economists be safely treated with political contempt.

"Surely business must realize now that the kinship between prosperity and political parties is not nearly so intimate as the politicians would have us believe and as business for too long was wont to assume. It must realize the need of putting its own house in order and not waiting until government is forced to step in and do it. It has duties and responsibilities not only to the red and black of its balance sheets but to the people at large and to the social order in general.

CALLS GOVERNMENT INTERVENTION POLITICAL

"If, as I strongly believe, business should be kept as free as possible from governmental interference, it can deserve and achieve this freedom only by developing a higher order of self-government and by tackling those problems which are of its own making instead of passing them on to government. It certainly must know by this time that the intervention of government in its affairs is largely a political intervention which, with the best of intentions, is more likely to do harm than good, and that government can in no event be any wiser than the fallible men who happen to constitute it.

"Industry complains of government in business, and then powerful interests insist on writing its tariff bills, flexible and inflexible, and thus put government into business in its most obnoxious forms. It puts its billions into public utilities and then pits propaganda against politics, instead of applying to its own affairs an enlightened business statesmanship to which the public would respond. Instead of looking upon our natural resources as a heritage of the people, here and to come, there is the tendency to exploit them for the greatest possible immediate profit.

SAYS IT IS A DUTY TO STOP UNEMPLOYMENT

"Just as many of our present ills are due to an unnecessary and excessive usurpation or delegation of Federal power, and could be cured by a larger measure of local home rule, so business by the exercise of a more enlightened self-government of its own could throw off the incubus of excessive governmental interference. In this phase of self-government lies the safety and stability of our industrial order.

"For instance, take the present conditions of unemployment. If our economic system can produce this and is unable to change it, then something is wrong with that system. There must be an antidote to communism. This, I believe, is to be found in aiding the disadvantaged man to his feet. The more helpful you are to those who need help, the more you offer sound education to the illiterate, hospital care to the sick, and a chance to the

under fellow, the more difficult it will be for communism and socialism to secure a foothold.

"Some time, somehow, the problem of unemployment will be answered. What is necessary now is for business to recognize that primarily the problem belongs to it and not to the State.

PUTS THE PROBLEM UP TO INDUSTRY ITSELF

"Industry has worked out and taken over the problem of compensation for its own accidents. So it should work out and take over the problems of labor turn-over and involuntary unemployment. Industry should evolve its own forms of prevention and put the burden of this on its own economic surplus. Some organizations, like the General Electric, are already doing this. With our machine economy and labor-saving devices we have the right, if our economic system is sound, to expect the burdens of labor and the uncertainty of employment largely to decrease. The day should not be far off when men and women need work fewer hours and suffer no loss of income.

"But now people are becoming tired of hearing about justice and liberty and equality and the old conjure words. They want to know how to get a job and how to prosper. Business statesmanship should find and show the way.

THINKS WE WILL EMERGE WITH LESSON LEARNED

"I entertain no doubt that in due course we will find a way out of our difficulties and emerge from the present crisis all the better for it. Let us not accept any gospel of despair. Our ultimate prosperity is as certain as the rise and fall of the tides. In spite of evidences to the contrary, the times are not completely out of joint. If we have had to face facts showing our weaknesses, let us not overlook facts showing our strength.

"It can not be that a nation should be poor because it is too rich, and that we should long have an excess of business disaster, unemployment, and even suffering, when we have an excess of commodities, of production, of money, and of real wealth. Something has gone wrong temporarily with our economic and financial and political machinery, or with its engineers, or both, but it is foolish to think that the whole plant has been wrecked or permanently crippled.

"The foundations on which real prosperity must build are sound and will prove even more sound because of our present experience. Here is a Nation of 120,000,000 people with an infinity of wants and desires; ambitious to succeed; believers in the gospel of work; filled with the spirit of courage, initiative, and enterprise; determined to maintain and lift the standards of life; willing to labor, to buy, and to sell, to use the railroads and utilities, to spend their substance on luxuries and diversions; and living in a land of unlimited resources and opportunities.

OUR FATE INTERLOCKED NOW WITH EUROPE'S

"He must have little faith in his country or little vision of the future who can not foresee a prosperity greater than ever.

"It will, I believe, be a prosperity allied with the economic restoration of Europe. The world now is too closely knit together for even this great land to contemplate its own destiny alone. The countries of Europe are our debtors. We will not prosper if they are prostrate. Our permanent economic progress involves helping them, and the time is near when further consideration should be given to the status of our international debts.

"The question need not be approached on the basis of world responsibilities alone, although certainly some measure of international leadership is required of a country with the power and the resources of our own. But even on the basis of profit and loss we should not forget that sometimes present loss may be ultimate profit.

APPEALS FOR RESPECT FOR RIGHTS OF OTHERS

"I must conclude. In doing so, let me say that, after all, economic values are not the whole of life. It is well to remember that in the last analysis most of the major ills of society are probably due less to bad economics, bad politics, bad government, or bad laws than to such elemental weaknesses as human greed for wealth and power and human indifference to the rights of others. The catchword of the hour is "economics." We speak of economic laws as if they were part of the order of nature, even though there is almost universal disagreement as to what they are. Perhaps we test life too much by the economic yardstick.

"Anyway, I enter upon my fourth term as governor with the conviction that in spite of drought and depression our future will be even more glorious than our past. There is so much that can be done to make this a greater and better Nation, and more and more is being done. In the doing of it I like to feel that Maryland is both an example and an inspiration.

FINDS MARYLAND TRUE TO IDEALS

"Our people have always stood for the things that are worth while, and have been steadfast for those ideals, social and political, which gave birth and nurture to this great Republic. We take pride in our traditions and love of freedom, and in the sanity, common sense, courage, and conservatism which we inherited from our forebears.

"Here we believe that government should mind its own business. We believe that the people who are least governed are best governed. We think you can not make people temperate by passing a prohibition law and that you can not make industry prosperous by putting up a tariff wall which drives manufacturers to other countries, so that they employ foreign labor there instead of domestic labor here.

"We do not believe that any makeshift economic measures which attempt to lift up any part of the population by its boot

straps constitute proper governmental action. Such things will always fail.

"In Maryland we think that the people should be free to work out their own problems. What good government ought to do is see that everyone has equal access to the door of opportunity.

CHAMPIONS A "HARMONY" OF THE WHOLE PEOPLE

"Never before in the history of our country have we drifted so far away from the principles of good government and the conceptions of our organic law. This will-o'-the-wisp has been luring us on each day, granting the Government more and more power over our daily lives, and unless the process is stopped it will some day destroy our whole governmental edifice, which was builded to assure happiness at home and peace abroad.

"So Maryland has much to offer in its tried and tested political philosophy, because, after all, it embodies those virtues which, with unity and harmony, make for greatness in State or Nation.

"One hears much about harmony and unity and cooperation in political parties, but the real effort to which mankind should address itself is harmony and unity and cooperation among all the people of the State and Nation—between capital and labor, between city and country, between industrialist and farmer. Let us work and pray for the dawn of that day."

RECESS

Mr. SMOOT. I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Saturday, January 17, 1931, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 16, 1931

The House met at 12 o'clock noon.

Rabbi Julius Mark, Vine Street Temple, Nashville, Tenn., offered the following prayer:

Humbly, reverently, fervently do we approach Thee, O Father of us all, to invoke Thy blessing upon the Members of this House, chosen by millions of their fellow citizens to guide and guard this great Republic. Cognizant of their heavy responsibilities and recognizing their human limitations, they turn their hearts to Thee for inspiration and their minds for wisdom. In the spirit of the glorious traditions of our blessed country, may they, true to their ideals, dauntless in their battle against injustice and wrong, ever be guided by this twofold motive—the welfare of the people of the United States and amity and good will toward all the nations on earth.

Earnestly we ask Thy blessing upon him who by virtue of his exalted office is the symbol of American ideals, the President of the United States. Bless Thou his counselors and advisers; bless all who have won the confidence of their fellow citizens and been intrusted with the sacred obligations of public office. May they deal honorably, legislate wisely, and labor unselfishly, so that justice may never be withheld or delayed, truth may ever be our goal, and love unite the hearts of all Americans into a glorious bond of brotherhood. For to-day, as ever, "righteousness exalteth a nation."

Bless Thou our country, O God, that it may ever be a land in which a free people is worthy of a free government, a government which, in the words of the immortal Father of our Country, "gives to bigotry no sanction and to persecution no assistance," a government loyally supported by a law-abiding citizenry. Guided by leaders with strength of character, breadth of vision, unbounded love, and unimpeachable integrity, may our Republic go from strength to strength, a blessing to ourselves, a shining example of liberty and democracy to all the world. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal Clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9991. An act to fix the salary of the Minister to Liberia.